

EGYPT

COUNTRY READER TABLE OF CONTENTS

Edward R. Pierce	1937-1938	Delegate, International Telecommunications Conference, Cairo
Raymond A. Hare	1940-1944 1956-1958	Consular Officer, Cairo Ambassador, Egypt
Thomas W. Wilson	1942-1945	Combined Economic Warfare Agency, Cairo
Keith Earl Adamson	1942-1956	Films Officer, USIS, Cairo
Cecil B. Lyon	1944-1946	Consular Officer, Cairo
Frank Snowden Hopkins	1945-1947	Assistant Chief, Division of Training Services, Washington, DC
Norman L. Pratt	1946-1948	Vice Consul, Alexandria
Harrison M. Symmes	1947-1949	Vice Consul, Alexandria
Philip W. Ireland	1948-1950	Chief, Political Section, Cairo
Norman Getsinger	1951-1953	Regional Security Officer: Cairo
William Henry Weathersby	1951-1953 1953-1957	Information Officer, USIS, Cairo Public Affairs Officer, USIS, Cairo
Stephen Patterson Belcher	1952-1957	Deputy Films Officer, Cairo
Parker T. Hart	1952-1955 1955-1958	Director, Bureau of Near East Affairs, Washington, DC Deputy Chief of Mission, Cairo
Curtis F. Jones	1952-1954	Consul, Port Said
Robert R. Bowie	1953-1957	Head of Policy Planning Staff, Washington, DC
Nicholas Shapiro Lakas	1953-1957	Deputy Principal Officer, Alexandria

Norbert L. Anschutz	1953	Officer in Charge of Political and Military Affairs, Bureau of Near East Affairs, Washington, DC
	1958-1962	Deputy Chief of Mission, Cairo
Fraser Wilkins	1955-1957	Director, Near East Affairs, Washington, DC
Eugene H. Bird	1955	Political Officer, Israel-Jordan Desk, Washington, DC
	1965-1967	Commercial Attaché, Cairo
Henry Byroade	1955-1956	Ambassador, Egypt
James N. Cortada	1955-1959	Economic / Commercial Officer, Cairo
Holsey G. Handyside	1955-1957	Political Officer, Cairo
James O'Brien Howard	1955-1957	Agricultural Attaché, Cairo
Owen W. Roberts	1955-1958	Vice Consul, Cairo
Arthur Mead	1955-1975	Foreign Agricultural Service, Washington, DC
Willard De Pree	1957-1958	Vice Consul, Cairo
Barrington King	1957-1959	Disbursing Officer, Cairo
Charles T. Cross	1957-1959	Deputy Principal Officer, Alexandria
Chester E. Beaman	1957-1959	Consular Officer, Cairo
	1959-1961	Consular Officer, Port Said
Claude G. Ross	1957-1960	Political Counselor, Cairo
Thomas C. Sorensen	1957-1959	Information Officer, USIS, Cairo
John H. Kean	1958-1960	Officer in Charge of Egypt, Syria (United Arab Republic), and Sudan, Washington, DC
	1961-1964	Program Officer, USAID, Cairo
Terrel Arnold	1959-1961	Economic Officer, Cairo
Michael E. Sterner	1960-1964	Political Officer, Cairo

	1964-1966	Arab-Israeli Desk Officer, Bureau of Near East Affairs, Washington, DC
	1970-1974	Director of Egyptian Affairs, Bureau of Near East Affairs, Washington, DC
	1976-1979	Deputy Assistant Secretary, Bureau of Near East Affairs, Washington, DC
William E. Rau	1961	Temporary Duty (E and E Plan), Cairo
	1961-1964	Consular Officer, Port Said
James H. Bahti	1961-1963	Political Officer, Cairo
	1964-1966	Economic Officer, Bureau of Near East Affairs, Washington, DC
	1966-1967	Federal Executive Fellow, Brookings Institute, Washington, DC
	1981-1983	Consul General, Alexandria
Richard E. Undeland	1962-1964	Branch Public Affairs Officer, USIS, Alexandria
	1985-1988	Public Affairs Officer, USIS, Cairo
John W. McDonald	1963-1966	Economic Officer, Cairo
Richard A. Dwyer	1963-1966	Ambassadorial Aide, Cairo
Robert Bauer	1963-1965	Cultural Affairs Officer, USIS, Cairo
	1965-1967	Public Affairs Officer, USIS, Cairo
Thomas L. Hughes	1963-1966	Director, Bureau of Intelligence & Research, Washington, DC
David L. Mack	1964-1965	Fulbright Fellowship, Cairo
Henry Precht	1964-1966	Administrative / Consular Officer, Alexandria
	1981-1985	Deputy Chief of Mission, Cairo
A. David Fritzlan	1964-1967	Consul General, Alexandria
Arthur J. Goldberg	1965-1967	UN Ambassador, New York
Alfred Leroy Atherton, Jr.	1965-1974	Deputy Director, Bureau of Near East Affairs, Washington, DC
	1974-1978	Assistant Secretary, Bureau of Near East Affairs, Washington, DC
	1978-1979	Ambassador-at-Large, Middle East

	1979-1983	Negotiations Ambassador, Egypt
David G. Nes	1965-1967	Deputy Chief of Mission, Cairo
Richard B. Parker	1965-1967	Political Counselor, Cairo
Robert Mark Ward	1965-1967 1987-1989	Assistant Program Director, USAID, Cairo Trade and Investment Officer, USAID, Cairo
Marjorie Ransom	1966 1980-1981 1992-1995	Information Officer, USIS, Sana'a, Yemen Egypt, Jordan, West Bank Desk Officer, USIA, Washington, DC Public Affairs Officer, USIS, Cairo
Slator Clay Blackiston, Jr.	1966-1967	Economic Officer, Cairo
Gordon S. Brown	1966-1969 1969-1971	Economic Officer, Cairo Egypt Desk Officer, Washington
Arnold Denys	1966-1967	Vice Consul, Alexandria
Douglas Watson	1967	Consular Officer, Cairo
Donald C. Bergus	1967-1972	Head of U.S. Interests Section, Spanish Embassy, Cairo
Charles E. Marthinsen	1968-1969 1977-1980	Economic / Commercial Officer, Spanish Embassy Interests Section, Cairo Office Director of Egyptian Affairs, Washington, DC
Marshall W. Wiley	1969-1973	Deputy Principal Officer, Cairo
Arthur A. Houghton III	1970-1971 1971-1974	Egypt Analyst, Bureau of Intelligence and Research, Washington, DC Political/Economic Officer, Cairo
G Norman Anderson	1971-1974	Desk Officer, Egyptian Affairs, Bureau of Near East Affairs, Washington, DC
Joseph N. Greene, Jr.	1972 1973	Officer in Charge, U.S. Interests Section, Spanish Embassy, Cairo
Claudia Anyaso	1973-1978	Egypt Cultural Exchange Officer, Bureau of

		Education and Cultural Affairs, Washington, DC
Hermann Frederick Eilts	1974-1979	Ambassador, Egypt
John G. Kormann	1974-1975	Deputy Chief of Mission, Cairo
Frank E. Maestrone	1974-1976 1980-1982	Deputy Chief of Mission, Cairo Director, Sinai Support Mission, Washington, DC
H. Freeman Matthews, Jr.	1974-1976 1976-1980	Director of Egyptian Affairs, Washington Deputy Chief of Mission, Cairo
Edward L. Peck	1974-1977 1980-1982	Economic / Commercial Officer, Cairo Director, Office of Egyptian Affairs, Washington, DC
Gordon R. Beyer	1975-1977	Desk Officer, Egyptian Affairs, Bureau of Near East Affairs, Washington, DC
Arthur L. Lowrie	1975-1978	Political Counselor, Cairo
Henry E. Mattox	1975-1979	Commercial Officer, Cairo
Haywood Rankin	1976-1977 1977-1979	American University, Cairo Ambassadorial Aid, Consular Officer, Port Said
Donald S. Brown	1976-1982	Mission Director, USAID, Cairo
Henry Reiter Webb, Jr.	1976-1978	Agricultural Attaché, Cairo
David E. Zweifel	1977-1979	Deputy, Egypt Desk, Bureau of Near East Affairs, Washington, DC
Walter M. McClelland	1978-1981	Consul General, Alexandria
Sally Grooms Cowal	1978-1982	Cultural Affairs Officer, USIS, Tel Aviv, Israel
Gary S. Usrey	1979-1982	Deputy Principal Officer, Alexandria
Owen Cylke	1979-1983	Deputy Director, USAID, Cairo
Robert S. Dillon	1980-1981	Deputy Chief of Mission, Cairo

Douglas R. Keene	1980-1983	Political-Military Officer, Cairo
Ernest Wilson	1981-1984	Associate Director for Financial Management, USAID, Cairo
John Ratigan	1982-1984	Consul General, Cairo
Edmund James Hull	1982-1984 1984-1986	Political/Military Officer, Cairo Deputy Political Counselor, Cairo
David J. Dunford	1982-1985 1985-1987	Economic Counselor, Cairo Director, Office of Egyptian Affairs, Washington, DC
Robert M. Beecroft	1983-1985	Political Officer, Cairo
Bruce F. Duncombe	1983-1985	Finance and Development Officer, Cairo
Nicholas A. Veliotis	1983-1986	Ambassador, Egypt
Shirley Elizabeth Barnes	1984-1986	General Services Officer, Cairo
Aaron Benjamin	1984-1986	Urban Planner, USAID, Cairo
David N. Greenlee	1984-1986	Deputy Director, Office of Egyptian Affairs, Washington, DC
Nena Vreeland	1984-1987	Center for Development Information and Evaluation, USIAD, Washington, DC
William Clark, Jr.	1985-1986	Deputy Chief of Mission, Cairo
Peter David Eicher	1985-1987 1987-1990	Political Officer, Cairo Deputy Director of Egyptian Affairs, Washington, DC
Frank Wisner	1986-1991	Ambassador, Egypt
Teresita C. Schaffer	1987-1989	Office Director of Egyptian Affairs, Washington, DC
Marshall D. Brown	1987 1991	Director, USAID, Cairo
Kenton W. Keith	1988-1992	Public Affairs Officer, USIS, Cairo

Wesley Egan	1990-1993	Deputy Chief of Mission, Cairo
Edmund James Hull	1993-1996	Deputy Chief of Mission, Cairo
Frank Pavich	1993-1996	Supervisory Special Projects Officer, USAID, Cairo

EDWARD R. PIERCE
Delegate, International Telecommunications Conference
Cairo (1937-1938)

Edward R. Pierce was born in Lexington, Mississippi and raised in Washington, DC. After working in the US Patent Office and attending Strayer College and George Washington University, he took a clerical job in the Foreign Service in 1937. Pierce held positions in Germany, Italy, Washington, DC, and the Bahamas. Pierce was interviewed by Charles Stuart Kennedy in 1997.

PIERCE: Anyway, very shortly after the tennis tournament, maybe a couple of months, I'm going about my usual routine duties, and I get a call to come down to the chief clerk's office. A man there... Mr. Allen told me that I had been selected to go with the delegation who were organizing to go to the International Telecommunications Conference in Cairo, Egypt. This was absolutely...you talk about a plum, there were people that had been working in that department 40 years, who had never had such a trip. Here's a trip where you get all your transportation, it's first class, by boat, by the way, and you get paid per diem, in addition to your salary. Everything's paid for. It was four months long. So here I am, naturally, I grabbed it. So my duties were, by that time, I had gone to Strayer College, I was an excellent typist.

Q: Strayer College is still going very well. It's still expanding. It's what we would call a commercial college. Several cuts above the normal.

PIERCE: Well, in those days it was more or less confined to shorthand, which incidentally was that old Gregg shorthand, typing, and basic accounting. But now they teach everything. Anyway, I went on that trip and it was terrific. What an assignment. We went out to Cairo in October, I guess. We stayed out there four months. Winter in Egypt, you know? We stayed in the Heliopolis Hotel that's out in Cairo. Everything paid for. It was really not a hard, for me at least, and the others in the typing and stenographic group, about six people. There was one other guy who was much older but was really expert, but he was also a translator, French, and the rest were women. Then the technical people. Senator White from Maine was considered the head of the delegation. We went together on the delegation four months, and he was a really nice, small man, white-haired man, so polite. I don't think he did one day's work. Anyway, when I came back, I decided this was the life. I didn't realize that was Foreign Service at its best. So to make this long story short, when we came back I went down the hall to Foreign Service Personnel and asked for a clerical job in the Foreign Service.

RAYMOND A. HARE

Consular Officer

Cairo (1940-1944)

Ambassador

Egypt (1956-1958)

Ambassador Raymond A. Hare was born in West Virginia in 1901. He graduated from Grinnell College with an A.B. in 1924 and entered the Foreign Service in 1927. His overseas posts included Egypt, France, Greece, Iran, Lebanon, Turkey, Yemen, and Washington, DC. He was interviewed by Dayton Mak in 1987.

HARE: It was my next assignment, however, that I consider of particular importance. That assignment was to Cairo. World War II had started, but we were not yet in, although we were very interested observers. War was the life of Cairo. Life was a sort of mixture of military, political and social. It was whirlwind sort of place where everything was happening; people were going along having parties and at the same time people were out fighting in the desert. You went to a party and several British officers might approach the hostess and say they were sorry but they were due back to the desert, while a couple of others might show up a bit dusty, and having heard that a party was going on they came along to join in.

When I got to Cairo in 1939 we had a Minister, Judge Fish from Florida. He was a political appointee and a fine gentlemen. The first thing he said to me was "Hare, I don't know much about this business. I'll do the best I can; but you keep me in line; don't let me make mistakes." He was very generous minded and was particularly good at social contacts. But it wasn't long before our setup changed; the Minister returned to the United States and the only other diplomatic secretary was transferred, leaving me as the only diplomatic officer in Egypt. This was about the time that the Italians came into the war. Our office did have a consular officer and an economic officer but no others, until a military attaché came a year later I reported on military matters as well as other routine functions.

In Cairo, I got very close to the people at the British Embassy and would be invited to their briefing sessions and things of that kind. We established a good working relationship, which provided me with important information to send back to Washington. The Cairo press had some able editors, and I would go around regularly to talk to them. Between them and my British friends I could keep quite good track of events.

One source of intelligence was a little man I called the Shadow. He was so inconspicuous that I think he could have walked into and out of a room without anyone noticing him. But he did get around, and he would turn up at the most extraordinary places. For some reason he took a liking to me. From time to time he would bring me Egyptian documents and when I asked "Where did you get that?" He'd say, "I got it from a government office." "How did you get it?" I'd ask, "I stole it," he'd reply. I said "You take it back, I don't want that stuff." Another time I was sitting in my office in the early evening when my phone rung. It was the Shadow. "What's going on?" he

asked. "I don't know, what is going on?" "Well, the British Ambassador and General Stone, the commanding general, have just gone into the palace." "Where are you?" I asked. "In the palace," he replied. That was the famous incident when the Ambassador and the General had delivered King Farouk an ultimatum that either he "shape up" or face the consequences. My inconspicuous little shadow stayed there in the palace and by telephone gave me a blow by blow description. One came by information in peculiar ways! Incidentally, I never paid him a cent.

I would like to digress a bit here to say a little bit about American policy in the Middle East. Up until the beginning of World War II our policy had been one particularly and consciously devoted to promoting protection of specific interests, largely commercial. Our Secretary of State, Charles Evans Hughes, admonished our delegation to the Lausanne conference of 1922 "to maintain the integrity of our position as an independent power, which has not been concerned with the rivalries of other nations which have so often made the Near East a theater of war." That was not a bad policy for the time, and it was clearly stated and closely followed.

But as time went on the Palestine "problem" became an important issue. In Israel the Wailing Wall was the subject of controversy. The Department of State was flooded with letters and telegrams on the subject. The question became so acute that the Department issued a statement in 1938 that while a Joint Resolution of Congress supported the idea of a Jewish National Home, that resolution was merely a specification of interest and "did not constitute a commitment to any foreign obligation or entanglement." These statements constituted our policy, and I think that we knew what we were doing.

I would be remiss if I did not refer to President Washington's policy toward the Barbary pirates in the 18th century. Washington justified the establishment of a U.S. Navy before the U.S. Congress: "From the best information I have been able to obtain, it would seem that our trade in the Mediterranean without a protective force will always be insecure and our citizens exposed to calamities. These considerations invite the United States to look into the means and to set about the gradual creation of the Navy." (Shades of the Persian Gulf today!)

During the war our policy began to change. We suddenly became very involved, primarily in support of the British war effort in various ways. Our Lend-Lease legislation permitted us to do many things along this line that we could not have done before. We set up a Middle East Command with General Maxwell as its head, and we had representatives on the Middle East Supply Center. Meanwhile our American Mission began to grow. At first I was alone, then a military attaché came, then we had a Minister, then the USIA, or whatever it was called in those days. These were followed by "the beautiful people" as we called them, such as the Red Cross and OSS, and then the inevitable officers club, of course.

At the time, we were helping the British with supplies, we were also helping the Russians. To do this we set up the Persian Gulf Command, which was responsible for getting supplies to the Russians via Iran.

During these five years in Cairo my family joined me until the Italians entered the war. Our Minister, Kirk by name, felt it unsafe for families to remain in Cairo, so my wife and Leila Wilson went to Jerusalem for about six months until it became clear that the Italians were not the

threat they seemed to be at first. Later when the Germans under Rommel moved into the Western desert, the threat was real, and my family was evacuated to the States, via Gura, Africa and Brazil.

I was ambassador to Egypt during the Nasser period, and I recall that he told me in the course of one of our many chats: "If they (the Russians) ever make the mistake of getting into the Middle East politically, you'll see what will happen, we will show them." It was very clear that the Egyptians and others weren't about to get rid of the British only to inherit the Russians. Nasser also made an interesting remark regarding Lebanon at a time when there was trouble between Lebanon and Syria, which was then backed by the Egyptians. "You know one thing," he said, "you can be certain of: I'll never touch Lebanon - never! If there was even one small group opposing me, they would raise hell and I wouldn't do it." And he didn't. He had a lot of sense, you know.

I forgot to mention another important situation which pushed us into getting involved in the Middle East, and that was the strong support of American Jewry for the newly born state of Israel. They felt strongly about Israel and exerted great pressure domestically. There were other aspects to the Palestinian problem, of course, but the impulsive force was the fact that it became a factor in American domestic policy as distinct from American foreign policy.

Turning now to my years as Ambassador to Egypt, I'd like to make a few observations about the 1956 "nationalization" by Nasser of the Suez Canal. The canal itself was NOT nationalized - the canal was always Egyptian. It was the Suez Canal Company that was nationalized, not the canal. You recall that Nasser had been attending one of those non-aligned meeting in Yugoslavia when, on his way back to Cairo, the announcement was made that we were pulling out of our offer to help finance the Aswan Dam. It was obviously a blow to him and, when he got back, his counter was to nationalize the Suez Canal Company, something he had in mind for some time. Dulles intervened actively and in time came up with the idea of a Suez Canal Users Association (SCUA). I don't know to what extent he thought it would work, but he was trying to avoid a conflict over the situation, a major problem. This was and remained our policy, and this is what got us into difficulty with the French and British as the situation developed. During that time I had many discussions, particularly with Foreign Minister Fawzi, in Cairo. Fawzi was a delightful man, quiet and highly intellectual, in fact his manner of expression was so finely tuned that I used to say that I was going over to see the Foreign Minister and do a little knitting with him because everything had to be done so very delicately. As I recall it, the Egyptians had made several very affirmative suggestions for the solution of the canal problem, but they were quickly rejected by Selwyn Lloyd. As you know, they, the British, had decided with the Israelis and the French on the attack on Egypt, and they didn't want any peaceful solution. What they wanted was a crack at Nasser. This was also a dearly held ambition of Prime Minister Anthony Eden.

The next thing that sticks in my mind here is that I was sitting on the roof of the Embassy Residence one Sunday when a U.S. Marine guard came over with a "very important" message. I got myself into some proper clothes and went back to the Embassy. The telegram was to the effect that something was going on in Israel, it wasn't clear what it was, but there was a great

deal of military movement. The question was, what for? It might be for a movement against Jordan, but the Department wanted our estimate in Cairo as to whether this could be directed at Egypt. So I called our staff together and worked through the night trying to puzzle it out. But we couldn't figure out any reason why the Israelis at that particular time should be attacking Egypt. I don't think my friend the British Ambassador Humphrey Trevelyan knew either in the beginning. However, soon after, in the evening, he came over and said "It's Egypt!" I heard it first from him. This caused us immediately to implement our evacuation plan, which actually took place in stages because the Israelis apparently jumped the gun a bit and had gone as far as really intended before the British and the French had gotten into their ships and lumbered around and gotten into the thing. When it became clear just how serious the situation was, we began evacuation to Alexandria with the help of the Egyptian officials. One of our problems was that while we had this very carefully planned evacuation, the French, who had none, tried to scramble into our evacuation, which was a bit difficult. Also, our route to Alexandria was across a desert road which went around an Egyptian military installation. By this time the British were really moving in, and their planes were flying around, making us rather nervous. I didn't want them dropping any bombs on our convoy, so I sent several urgent telegrams off to London, which I understand got to the desk of Eden who got very annoyed with one Raymond Hare for bothering him about this.

Anyway, eventually our group got to Alexandria and on to a couple of navy landing crafts which took them to other ships for the final evacuation to Malta or Cyprus, I've forgotten which, and they were eventually transferred to American civilian ships. A curious thing happened in the process, one which had a strange effect on many of our people, leaving them starry-eyed and wondering. They were transferred to a small ship called the Chilton, as I recall. When they boarded the Chilton they were met by the ship's crew with a degree of warmth and friendliness that touched them deeply, so much so that whenever our group could talk about it afterward the tears would come to their eyes. The sudden spirit of camaraderie had come like a miracle, and they would talk about it as a sort of "Chilton miracle."

During this period when the British and the French movement was in full swing I used to see Nasser fairly often at his request. It was rarely at the same place; we used to move around for our meetings. One time he asked to see me at the Army headquarters on the way to Heliopolis airport. On this particular day Sadat was sitting on a chair outside Nasser's office. Nasser said to me that there was a request that he wanted to make. He wanted to request American assistance against the British and the French. As we refined this a bit it turned out that what he meant was that he wanted American military assistance. In effect, he asked for intervention of the Sixth Fleet against the British and the French. I responded, "Mr. President, you have asked me a very serious question, as serious a question as one country can ask another - to intervene militarily against people who are our friends. Now do you mind if I ask you a question?" He said, "No." "Are you asking my government for active military assistance against the British and the French or are you asking me, expecting that the reply will be negative, and that then you will be free to say, 'Well, I've asked the Americans,' and then you would be free to turn to the Soviets?" This was the only time I saw Nasser really angry. I said, "Wait a minute now. You asked me a hard question, and I asked you a hard question." "No" he said. "I really meant it." I said, "All right, thank you very much." So I reported this conversation to Washington and got back a reply saying in effect "We would do everything we could in the United Nations." That was the reply.

When I gave Nasser Washington's reply, I, of course, got a rather cold response. Nevertheless we did, in the United Nations, take a very strong line against the British and the French, much to their anger. Sometime later Nasser remarked to me, "You remember the time when I asked you that question about helping us?" I said "Yes." Nasser sort of chuckled. We got over a tough one that time. Nasser and I had many talks together. He liked to talk and discuss things. Except for the time mentioned above, most of our talks were about quite routine matters such as questions about property and that sort of thing. As I said, he liked to talk. If I saw him in the morning about ten o'clock he would breeze in smelling of lotion and all fresh. He used to sit up late at night, so he got up rather late. Frequently he would go over to his desk and pull out a paper that he was working on late the night before, and he would say, "Look what this is: Very often they were questions of an economic nature that he had been working on, such as development plans for Egypt and the like.

When Nasser and I met about a particular matter or project, we wouldn't talk just about that subject. He liked to talk about many things. We could talk about world affairs, about area problems and just about anything. In one of these conversations he told me his concept of how to handle the Palestinian matter. "As long as the Arabs and the Israelis are across an unmarked border or at least an unmanned border, there would be trouble. The best thing, he said, "Would be for the United Nations to station a force completely around Israel, and then just wait and see what happened." I think that is sometimes called the "refrigerator" concept, and while it had certain appeal, the idea was never pursued.

Another problem we discussed was the Lebanon situation, when Syria was so much involved there, with the support of Egypt. I remember that he told me: "You know, I wouldn't get involved there as long as one Lebanese faction opposed me. I would stay out of the place because it would be poison and I would be miserable" He was right. He was right!

We also talked about Yemen sometimes. He was interested in talking to me about Yemen as Egypt was having trouble down there, and they were thinking of moving in more heavily. I remember I told him, "Mr. President, there's one thing to remember about Yemen. Everybody, including the Romans, who went into Yemen got burned doing it. If I could give you any advice, stay out of there!" My advice was not followed, and Nasser had reason to regret it.

Then also we would talk about the Soviets. You recall that at the time of the British and French invasion threat, the Soviets did a lot of sabre rattling, or missile rattling as you call it. It became clear to me in talking to him that Nasser realized that this was a missile rattling gesture rather than the real thing. At least he didn't take it for the real thing. This leads me to say a word about his attitude toward the Soviets in general. As Nasser would put it, his attitude was the same as he had toward the United States; Nasser didn't want to be allies with either of us. He didn't even want to be seen neutral, either; he wanted to be non-aligned, not tied to anybody, anybody at all. "As for the Russians, he said, "We try to have correct relations with them, and we exchange visits occasionally," which they did. But he added "If they ever interfere in Arab politics, then they will hear from us." And sure enough, they did in Iraq. All the public relations facilities were turned loose against the Russians. Even in the mosques, which I would often visit because of my interest in architecture. I would hear the mullahs there preaching against the Russians. They

turned it on really full blast.

I recall some little things that Nasser used to tell me occasionally. "The trouble with you Americans," he once said, "Is that you don't know how to handle public relations. Listen to my next speech." Well, I listened to his next speech. He avoided using the classical Arabic, but spoke in the colloquial dialect. He felt at home in it and his audiences felt at home in it. The result was that he could get people sort of livened up by using this colloquial speech. He would go pretty far very often, one thing leading to another, and he would cover all sorts of points, all with a great deal of vehemence. What he didn't seem to realize, public relation-wise, was that what he was saying went out over the international air waves. What people heard sounded very different from what Nasser intended. This always had a negative influence when we were discussing Egyptian problems with American officials.

Nasser liked to talk about his family, which he usually did toward the end of our meetings. He particularly liked to talk about his little son, who apparently was very mischievous. Perhaps he saw something of his own youth there, but he liked to describe the mischievous antics of his son. He was very close to his family; he would plan his vacations so he could go to the beach with them, and he often showed movies in his home. He was always very correct with his wife, very correct.

Sometimes, toward the end of our conversations, we would go over the fact that really our relations ought to be better. Our discussions would go something like this: One of us would say, "Our relations ought to be better," and we would agree to that. Then I would say, "The problem is, what do we do about it? We talk about having better relations, but what can we do to symbolize what we really mean?" He didn't ever want to suggest anything that would be refused, he didn't like that. So he would say, "Oh, we should turn over a new page." One day when he said that I said, "Fine. What should we write on the new page?" Then you would get a reply something like this. "You must understand Arab psychology better" or something of that kind. We always seemed to end up this way.

One day I went around to visit the Lebanese Minister to Cairo, Ghaleb Turk, whom I had known previously in Saudi Arabia. He asked me, "How are things going?" I said: "All right." And I told him much the same as I have just described. I told him that we'd had these conversations and we had agreed that we should have better relations but I could never get Nasser to say anything specific about what they really would like us to do. He said, "Do you mind? I have some good relations at the top of the government in the Presidency. Do you mind if I say a word about this?" I said I didn't mind. "You can say you talked to me, that's perfectly All right. But you are not my agent, you understand. But if you want to tell him that you talked to me, go ahead!" Shortly after that, Hassanein Haikal, an important journalist and confidante of Nasser, came to see me. Well, he bounced in and said "I hear you were talking to Ghaleb Turk." I said that indeed I had. Haikal then asked, "Do you know what we want?" "That is what I am asking all the time. Can you tell me?" He replied, "Yes. We would like PL 480 wheat!" Well, this fit right in to my own thinking at the time. This was something that we could easily do, as we had wheat practically running out of the bins. Mainly we were selling this PL 480 for what we could call "wooden nickels" - that is, you got local currency in payment for it.

This PL 480 idea was to me an ideal answer. I felt strongly that in a situation in which the Russians were being aggressive in the area, we should not try to do them one better of the same kind. If we wanted to do something we should make it an American move, and preferably an American move that would have some broad appeal. Well, here was an American move that would have some broad appeal. I telegraphed this back to Washington and got clearance to discuss the matter. Haikal came in to see me, and when I told him we were willing to discuss it he nearly fell out of his chair, he didn't think we would do it. We did, of course, and the remaining months of my time in Egypt were spent working on the PL 480 agreement. My successor in Cairo once said that it gave rise to a sort of honeymoon period. Before this our relations with Egypt had been difficult.

Right after the Suez affair the Egyptians were appreciative of our position in the United Nations. But after several months they realized that we had not really changed sides - that we were not anti-French, anti-British or pro-Egyptian. In other words, we had not changed our spots, and they became very unhappy. To add to their anger we had done some things that were quite unfriendly; we had refused to sell them certain things they badly wanted, and we had held on to some money of theirs. But this anti-American attitude gradually subsided for a time, largely owing to the PL 480 agreement.

Now finally, whenever you talk about Egypt at that particular period of time, Nasser looms very, very large. This is understandable because in a sense Nasser was Egypt at that particular time. He was not the typical hard-boiled dictator that one might think; he didn't like blood, he didn't like violence. He was rather restrained except for those speeches. He liked to talk to people, different people, so he was quite approachable if you were willing to talk to him in a normal way. In fact he liked to talk so much that you would go in and you would be there sometimes a minimum of an hour, but more likely an hour and a half, two hours, two hours and a half, three hours. That's a lot of time and a lot of talk.

I soon saw that it was going to be hard to remember all that he had said during such long conversations. I had learned a long time before that if you want to make record of a conversation without seeming to do so, if you could just memorize a series of words which indicated the progression of the conversation point-by-point you could usually reconstruct the conversation. Then on the way home you repeat to yourself the word progression to keep the conversation in mind. So I thought it might be useful to do this in my conversations with Nasser. Ordinarily, with a Chief of State one isn't supposed to be taking notes, of course. So I said "Mr. President, I know it's not considered normal to be taking notes when talking to a Chief of State, but you talk so interestingly and frankly at some length that I don't want to forget it. I realize that you are not talking just for me; so do you mind if I just take down a few words so that I might better recall your observations?" He said "No. I don't mind, do you mind if I do the same?" So we would sit there with little pads taking notes. He was a man with whom you could do that. This does not mean that Nasser and I ever agreed on practically anything as far as I am concerned, but it did mean that we could discuss any problem reasonably and most often helpfully.

In considering Nasser one must understand that he was born of conspiracy. The revolution in Egypt had been brought about by a group of bright young officers. They had thought things out seriously and drawn on such sources as communism and Thomas Jefferson. Nevertheless, their

methodology had by circumstances to be undercover. Out of these years of conspiracy, Nasser, and I think most of that group, were willing to discuss matters with you, but they were always suspicious, and you had always to keep that in mind.

Now, one last observation about Nasser. There were always lots of visitors who came to Cairo and most of them wanted to meet Nasser. Some were notables, who presented no problem, such as Hubert Humphrey, Eugene Black, and Jack McCloy. But a fair number of those who came were what I called the "belligerent." They saw in Nasser a dictator type and wanted to give him a piece of their mind. Over a period of time Nasser developed a marvelous technique of speaking to such visitors. And it was rather amusing, because these people who had gone in with eyes flashing used to come out with stars in their eyes.

We are always hearing about the tremendous progress that was made at Camp David in settling the Arab-Israel dispute. The thing is hailed as a great Carter victory, but in fact despite all the talks and all the serious effort there has been little real progress in solving the main problem, the Arab-Israeli problem. The one aspect in which there was not only progress but success was the fact that Egypt and Israel decided to establish relations and to conclude a treaty. Actually both Egypt and Israel wanted to get the other off it's back. Egypt did not want to be threatened by Israel and Israel did not want to be threatened by Egypt. Neither of them wanted a belligerent frontier. So when it came to discussion they were able to talk serious stuff, and Begin himself was able to make some serious concessions because it was something both wanted.

This is something people tend to forget about negotiations. The ideal negotiation is one in which there are certain elements that both want, and they are bargained for. It is like going into a shop; the man wants so much for his clothing, and you have so much money, and you finally agreed on a price. In the end, when you leave the shop both of you got something that the other fellow had. That's what this is in a simplified form. This was the major product of Camp David. It has had its difficulties since and still does; but the situation is better than before and this could even be a step in the long road to improvement in the basic problem.

You will recall that I mentioned the PL 480 agreement with Egypt and how it inaugurated a period of good relations with Nasser and Egypt. Well, when I got to this new job in Washington, one of the first things to hit my desk was this PL 480 agreement. It wasn't a very happy document, however. By this time our relations with Egypt had deteriorated, not so much because of any one big thing, but because of a whole series of things: conferences that Nasser had attended; speeches that he had made; that sort of thing. As a consequence it became impossible to get the old type of PL 480 agreement through. I kept going over to the Hill to try to resurrect it, and every time I thought I was getting someplace, Nasser would make another speech, and there would go all my work. Finally the PL 480 was succeeded by another type of agreement: PL 480 died without a whimper!

THOMAS W. WILSON

**Combined Economic Warfare Agency
Cairo (1942-1945)**

Thomas W. Wilson was born in Baltimore in 1912. After Graduating from Princeton University, he worked as a reporter for the Baltimore Evening Sun and later the Paris Herald. He served on the National Defense Advisory Commission, the War Production Board and the Economic Warfare Agency in World War II. After the War, he worked as an Information Officer for the Marshall Plan, and would later serve as a Political Advisor to the United Nations. Mr. Wilson was interviewed by Charles Stuart Kennedy on October 30 1996.

Q: It wasn't the War Production Board?

WILSON: I was with the War Production Board. That was one of the outgrowths of the National Defense Advisory Commission. But the War Production Board got into difficulties with the Army. By that time I was working for the planning division of the War Production Board. The Planning division of the War Production Board was the place where the civilian government reviewed what the Army said they wanted, and this led to certain difficulties. The planning commission was considered by the military to be the people who were trying to keep them from getting everything they wanted to have. In a great battle between the Army and the War Production Board, it was decided that the price of peace was to get rid of the planning division, so everybody in the planning division got fired or told to go look for another job. Everybody in the rest of Washington wanted to hire us so I was offered a job to go out to the Middle East for the Board of Economic Warfare.

Q: Where did you go in the Middle East?

WILSON: Cairo.

Q: Cairo?

WILSON: I don't know whether you liked this kind of sidelight. This is a good example of how a lot of jobs were given and careers were made in the war. I found that much later there was a meeting in the Board of Economic Warfare where the point was made that while we had close relationships with the British ministry of economic warfare, we had nobody in certain parts of the world where they had active agencies. There was a discussion as to whether we the Americans should do anything about that. The decision was made let's send a couple of people out and see what happens. As a result of that, when I walked into their office they said do you want to go to China, Cairo or London? London didn't seem like China. I'll go to Cairo.

Then it turned out to work very well. The British had a very capable fellow running their office. He had quite a staff. He wanted to get along with us, so we decided to form a combined agency.

Q: You were in Cairo from when to when?

WILSON: I was in Cairo from early 1942 until the end of the war. 1945.

Q: So you formed a combined agency. Was this with the British and Americans together? What were your tasks?

WILSON: Yes, together. Well the Board of Economic Warfare needed information to carry out several functions. One was to buy materials we wanted to keep the enemy from getting, chrome from Turkey, that sort of thing. The other was for Navy functions. What kind of trade routes did they want to break up because they would particularly hurt the enemy. The third role was eventually we were going to have to occupy those countries and so wanted to know something about the state of their economy. My function was to collect information about what the Germans were doing out there about the shape of the Balkans and eventually the time when we had to enter Greece.

Q: What sort of information were you getting about let's say Greece?

WILSON: Well, that really was the central political point of this problem. The British as you know had a strong role in Greece for a long time. We'd had none so to speak. They knew what they were doing in both the Middle East where we were living and the Balkans we were looking at. Beyond which they had developed over many years quite effective information or intelligence collection if you want to call it that. We had none. Joining the British in WWII was an immediate partnership. I was alone, but when we decided to join and make an agency I became the Deputy Chief of the agency. My British colleague was the chief. I automatically received the whole flow of British reports from both the Middle East and the Balkans from British collection services. This got to be terribly embarrassing after a while because gradually the Americans started trying to build up an intelligence collection agency. In no time at all there were four of them in Cairo, the Army, Navy, Air Force, and something called the combined collection agency to put together what those three guys got. On top of that there was always us. That would make five. None of them had any resources or any experience in the area. It was very embarrassing for me because I had no resources but a lot of information. So that got to be pretty awkward for awhile.

Q: Were you able to share your information with the American agencies that were out there.

WILSON: Of course I sent everything I learned back to Washington. But the American military presence out there was another of the freakish things that happened in war time. Our Board of Economic Warfare was originally established under the leadership of a colonel in the Army. He was a perfectly good fellow; there was nothing wrong with him except that he was just over his head. His agency suddenly blew up into a large world wide institution, and they had to get rid of him. The way you got rid of a colonel in the war was to make him a general which is what the Army did, and then they had to find a place for him to be, and since there was no American military in the Middle East, they sent him out there. I've not got the story quite right. He went out as a colonel and when he got there he discovered his British colleague was a general. He went to meetings and generals speak more than colonels do at meetings, so he had to be raised from a colonel to a general. After he became a general, he obviously needed a staff, a chief 1, a chief 2, a chief 3, and a chief 4. If you got that many people you needed a transportation unit. If you got a transportation unit the cars needed to be repaired from time to time so you've got to have some mechanics. We actually built an American command in the Middle East out of nothing except for

the fact that they had to get rid of a colonel, in a job he couldn't do in Washington.

Q: It is an insight into the practicalities of how things work. What role did the United States have in planning what to do with let's say the Balkans after the war?

WILSON: By that time we had some active jobs. For one thing we had been collecting what information we could about the state of transportation in Greece for example and Yugoslavia for postwar purposes. Then suddenly, I'm not sure I can date this, but when the Soviets reached the point when they could invade Europe through Romania, and the Allies decided to be aware of what they could do to support the Russian drive and the Germans to supply their troops to the East or central part of Europe which we knew quite a bit about, we didn't know much about what was going on in the east. So the state of the railroad system became important from a military point of view. It turned out that our military had been planning for that. Sure because I had been running that in the Middle East I became one Sunday afternoon, chief of the Balkan section of the Mediterranean forces from Italy. We ran the bombing campaign to the east, but then in a very big major way against the petroleum resources in Romania. By this time, and this time I guess is 1944, it became clear we really knew the tightest supply for the Germans was in oil and oil resources. Among petroleum resources a special lubricating oil was their worst shortage, and their greatest supply of lubricating oil was coming from a, I'm trying to think of the name of the company.

Q: Texaco, Sohio, Secony?

WILSON: Anyway you're on the right track... Standard Oil. A processing plant in Romania that was a large producer of the type of lubricating oil that the Germans were in very short supply of, and a shortage that could lead and did lead to have an actual impact on German military forces. So this became a high priority for us. It is a very long story and very complicated but eventually we destroyed that plant. But there was a campaign that really, it was a major military campaign that involved the strategic air force. Not individual raids or bombing individual cities but really a strategic strength of the enemy's fighting force. So we'd done that. By this time our office in Washington had begun to help plan for occupation forces. And we had provided great information about the state of things in Greece for purposes of military occupation. I think I said by this time I had a staff of three or four people. We picked up a lot of British types in the area, and we had a sizable team of people ready to go in with the military when Greece became available.

Q: This was towards the end of 1944 so when the Germans pulled out and left, the British went in and got caught up in the civil war there. Had you moved to Korcyra by this time which was sort of the headquarters. A nice place isn't it?

WILSON: Well I lived in a tent and worked in a temple or a palace. A huge palace for the king of Naples. I was on the fifth floor.

Q: When we went in to Greece, what were the concerns you and your group had about going into Greece? This was strictly a British operation wasn't it, going into Greece?

WILSON: Yes. Our agency was called the Combined Economic Warfare Agency/ Middle East. Probably the most obscure agency of WWII. We were able to send a team of four or five people. I could say that most of them were British but not all of them; there were Americans in there. Individuals who had lived there, knew the languages, and had some experience in that kind of work. But I guess the actual occupation forces were entirely British.

Q: I think so. With your group, what was your group looking for in Greece when they went in?

WILSON: Well I think by this time we were people who were able to participate in problems of food and re-establishing basic services and I guess just advising the military on problems of governance. But this was getting pretty late as far as I was concerned, and I really can't tell you what.

Q: Well Greece was taken over by the British and they got involved in the civil war between the Royalists and the communists, but what about Yugoslavia? Did you get involved at all in anything early Yugoslavia as the Yugoslav army more or less freed itself?

WILSON: This I don't know. As you know we had done a good deal to help the Tito forces. We had originally tried to help Mihailovich. We, in this case I mean the allies. The U.S. and British had twice equipped Mihailovich to strike the only really useful resource that Yugoslavia had. There is a big copper mine. Both times he said thanks very much and saved the equipment we gave him to fight Tito after the war. So, late in the war we took to helping Tito too. I remember a young lieutenant came to ask my advice. He told me he'd been offered a job, an assignment into Yugoslavia while the fighting was still going on. I said how's your languages? He said he didn't have any. I asked him a few other questions that had to do with the usual sort of qualifications a guy should have. He was to jump out of an airplane and work with Tito. I advised him not to go. He, of course, promptly went. He had an absolutely wonderful career. Came out with all kinds of honors and was pushed into a high position with the U.S. intelligence agency. The British did most of that work. Force 333 and force 666. When I was at Korcyra I often went over working on targets for the next day. One of these British forces had a bar there. Being in a combined agency if I pulled the right card out of my wallet, I could prove that I was either American or British. So I could attend this force 266 bar. They were really the most remarkable kind of people. To me they all looked alike; they all looked middle aged; they all wore horn rimmed glasses as though they were working in the city in London. It was impossible to tell which one had just come in, and which one was just going out in a submarine or an airplane or a power boat or something. They were real characters out of books.

Q: Did you start moving over into the postwar planning at all, or did you keep doing this until the end of the war?

WILSON: I guess the answer is I kept doing it until the end of the war. I think I was successful in shutting up the agency because the job had been finished, and got back to Washington.

KEITH EARL ADAMSON

**Films Officer, USIS
Cairo (1942-1952)**

Keith Earl Adamson was born in 1917 in Newton, Kansas. During college, he worked at the Department of State during the day and attended class at night. He graduated from George Washington University in 1943 with a degree in economics. Mr. Adamson served in the Navy from 1943-1946 and returned to the State Department immediately there after. In addition, he served in Turkey, Columbia, Laos, Thailand, and Chile. He was interviewed on January 12, 1988 by Earl Wilson.

Q: So you went to Cairo. What year was that?

ADAMSON: 1949. I got there just about the time Cairo abrogated the Suez Canal treaty with England, so the excitement really began at that point.

Q: Can you tell us something about your USIS program there and its objectives and what kind of experiences you went through?

ADAMSON: We had a fairly good sized program. We had an information officer, press officer, cultural affairs officer and assistant cultural affairs officer, librarian, plus myself, and a good sized local staff. We were in a building on the embassy grounds. Some of the remnants of the old Office of War Information [OWI] operation in Egypt were hanging on. We had a fascinating printing shop. Jack Jonathan, who ran it for a long time in between OWI and USIA, had made a deal that if we would let him take in outside work and have people pay for it, he would then do all of the information program's printing free of charge. He wasn't on salary.

Q: Very interesting.

ADAMSON: He was paying his way by the outside work.

Q: Very different. Did they do printing for programs outside of Egypt?

ADAMSON: I don't remember. He was doing some of the regional book publications, because he was able to get some fantastic quality out of those old Gestetner machines. In other words, he could do multi-color and get resolution that nobody ever thought possible. He also was able to do great photographic work, and I presume that was a part of his success.

Q: What do you recall were the principal objectives you had at that time?

ADAMSON: The principal objectives at that time were to try to reach more people with information about America. We didn't have the "class-versus-masses" argument yet. We were trying to reach as many Egyptians as we could about the United States, because all they knew then was that we had gotten involved in the war and we had defeated Rommel in North Africa, and that was about it. So we were trying to reach the student population, the government officials

and general population. I ended up, of course, showing Disney's health films, which you mentioned before, to hundreds and thousands of villagers who had never heard of the United States, had never heard of health, had never heard of much of anything that they were being shown. When we were trying to evaluate the effectiveness of our film program, we got some very strange reports.

Q: I vaguely remember that some villagers who had never seen films before and saw the Disney animation, became somewhat frightened over enlarged mosquitoes that looked like monsters.

ADAMSON: Oh, absolutely. They just said, "Well, we don't have that problem. Our mosquitoes aren't that big here." So they discounted the whole message. But also, in one Disney film, they were shown the burning of a very badly infected hut, and somebody said, "Where is that?" Another one said, "Don't you know? It's over in the Canal Zone. The British are burning it" (Laughter)

Of course, we had all kinds of reactions. One of the things that would happen, when we'd go out to a village and set up the screen and the projector, the audience would sit facing the projector. They had no idea about movies, and so we would have to stop and get them all reoriented and get them to watch the screen. But mostly they were fascinated about that machine back there that could do this light and shadow effect, much more so than the message that was in the film.

But we did learn something that a colleague of mine always said, "You know, motion pictures is a projected medium." We all thought, "Well, how stupid can you get not to know that?" But what he meant was that the audience cannot understand the message in the motion picture unless they can project themselves into it and recognize the symbols and everything that is going on. It was a learning period for all of us as to what people abroad could understand about the United States.

Q: When did you leave Cairo?

ADAMSON: I left Cairo with malaria in June, after almost three years, in June of '52. I was a reserve officer at that point in the Foreign Service. I came back to being a civil servant again in the Motion Picture Division in charge of the content and story staff.

CECIL B. LYON
Consular Officer
Cairo (1944-1946)

Cecil B. Lyon was born in New York in 1903. He graduated from Harvard University in 1927 and joined the Foreign Service in 1930. His posts included Cuba, Hong Kong, Japan, China, Chile, Egypt, Poland, Germany, France, and Ceylon. He was interviewed in 1988 by John Bovey.

Q: Well, let's see, what happened next? Oh, yes. You went to Cairo in '43 and were there until '45, is that right?

LYON: '45, yes. After I left Chile I came back to the Department and Larry Duggan, who'd been my classmate at Harvard, was the Assistant Secretary of State for Latin American Affairs and he put me on the Chilean desk where I spent a short time. Kippy Tuck, who had been our last Chargé d'Affaires in France to the Vichy government, was interned in Baden for a long time, and finally came home and I was with him one day. He was a very old friend, and I jokingly...he had been appointed Minister to Cairo which was a very appropriate appointment for him because he spoke Arabic.

Q: Was the Minister the top banana?

LYON: Yes, because in those days we didn't have an Embassy, we had a Legation in Cairo.

Q: Was that because of the British?

LYON: No, in a lot of countries we had that -- in Latin America up until a certain time. It was just because they were countries, I imagine, considered less important so you didn't have an Ambassador. You had Ministers. But anyway, Kippy -- his father had been a judge on the International Courts in Egypt, and so Kippy grew up in Cairo. He went to school at Les Rosiers in Switzerland, but in his boyhood he lived in Cairo and so he spoke Arabic. And I jokingly said, "If you need a saffrog in Egypt, 'Barkis is willing." And to my amazement he asked for me. I went there during the war...

Q: I know! It was right in the middle of the worst aspects of the North African campaigns.

LYON: Well, I'll tell you it was very interesting. Kippy knew everybody because, as I say, he'd been there as a young man, and there was a guy called Hassanein Pasha, who at that time -- I don't remember what his title was but he had been tutor to the King, and he had a high job in the palace, Chief of whatever it was in the palace. And he'd been educated at Eton and Oxford. He was raving against the British. One night at dinner at Kippy's, just the three of us and Mrs. Tuck, I said, "Well, Pasha you'll always be grateful to the British for driving the Germans out of here, they came pretty close to Cairo, didn't they?" And to my amazement he said, "We wouldn't have minded being occupied by the Germans. We'd have gotten on very well with the Germans. We degenerate countries have to know how to play one power against the other." Well now, this was the man who was closest to the King. He was, incidentally, the King's mother's lover, which everybody knew. So you can imagine that poor, young boy was not getting very good advice from a man like that, although he was a brilliant man.

Q: How old was Farouk when you were there?

LYON: When I was there I should say he was about twenty-one.

Q: Oh, as young as that?

LYON: He was just a young boy and he grew up to be a great fat thing, but when we were there he was a very handsome young man. The awful thing was, you'd go to parties given for him, and

he, being young, liked to get up and conduct the band or play the saxophone, and he'd go on and on until the wee hours in the morning. The Chancery opened fairly early -- I think 8:00 in the morning, because of the heat, so we could close earlier in the afternoon. I would be exhausted, but I'd have to stay up. Farouk was rather nice because at a certain point, usually about 12:30 or 1:00 in the evening, they'd have supper, and he'd retire to the library where he'd be served supper. And he'd send word: "Anybody who wants to sneak away, let them." So if he'd do that, Elsie and I would sneak away. But it got to be such a chore for most of us that we assigned one young man, John Brinton, who was an Assistant Military Attaché, to play around with His Majesty, Farouk, and he was permitted to come to the office later in the morning. So he and his wife, they were a charming young couple, were sort of assigned to the King.

Q: Was the feeling about the British that you just described shared by other Egyptians?

LYON: Yes, a good deal. They were fed up...

Q: Anything better than the protecting power -- it was the same way in Morocco.

LYON: Sir Miles Lampson, who was the British High Commissioner, used to give the King orders and he didn't like that. Lampson had a huge Rolls Royce and everywhere he'd go, his Rolls Royce would be left parked -- I mean if he was at the theater or something -- right where other peoples' cars couldn't get in. And little things like that annoyed the Egyptians a great deal. I think the most important thing that happened while I was in Egypt was the visit of FDR, President Roosevelt.

Q: Oh, and the three monarchs. Yes, tell us about that.

LYON: Well, one day -- that was in '45 so it was my last year there. I got summoned by the Minister, Kippy Tuck. I went to his office and he said, "Look at this." He handed me a telegram which said, "This message to be decoded by the Minister himself." Kippy said, "I haven't decoded a telegram in years. I don't know how to decode a telegram. Can you do it?" It was not the old gray code, I guess, something more complicated. I said, "I haven't done one either. I'm not sure I can." "What will we do?" said Kippy. I said, "I'll tell you what we do. We get the code clerk, or the chief code clerk, and we swear her to secrecy, and we have her decode it, and not to tell anyone else in the code room anything." So we did that, and she brought the telegram which said, "The President will be aboard the USS Quincy in the Great Bitter Lakes..." and then it gave the dates, I've forgotten what they were now. "He would like to meet Emperor Haile Selassie, King Ibn Saud and King Farouk. Please make all arrangements." It was really the most difficult assignment.

Q: How long did you have to do this?

LYON: We had about three weeks, or something like that. We didn't even know where he was coming from. Of course, we now know he was on his way back from Yalta. But had it been known that these people were coming into Egypt they would have had to arrange official visits, you see, because King Farouk had paid an official visit to Ibn Saud. But I must say they cooperated beautifully, the Egyptians, when we told them what was happening. We got all these

three gentlemen in -- these two gentlemen in, one was already there -- and we kept the umbrella man, Haile Selassie, out at Payne Field which was where we had our air base. We had Ibn Saud on a destroyer -- a destroyer was sent for him -- and they all cooperated beautifully. Chip Bohlen was accompanying the President and he came up to Cairo.

Q: Oh, he'd been at Yalta, of course.

LYON: He'd been at Yalta and he said, "Cecil, you don't know the President, you'd better come down and meet him." And I said, "Chip, I'm supposed to tend the store while Kippy is down with all of you." He said, "Oh, nonsense." And he went in and talked to Kippy and I'm so glad he did because I did go down. I went aboard the Quincy and incidentally, President Roosevelt looked frightful...

Q: I was going to say this was the period when he was very ill.

LYON: He looked very badly and I asked Flynn about him but I'll go into that a little later. And at one point the President was waiting for Winston Churchill, who was coming aboard to visit him -- he'd flown out from England -- and the President said, "Let's all have a photograph." So we all lined up and I'll show you the photograph in the music room afterwards. I happened to be standing behind the President and I heard this conversation. Winant, who was our Ambassador in London had come over -- he'd been sent for -- and the President turned to him and said, "Gil, you ought to have been aboard yesterday, I had them all aboard." He said, "I've got one of them over there now on one of my destroyers." It sounded very imperious, but of course, they were his destroyers. He said, "I got nowhere with the big one. I was a 100% failure with the big one. I rather liked the little one."

Q: That's Haile Selassie?

LYON: That's Haile Selassie, and the big one was Ibn Saud. He said, "Winston doesn't like any of them." I said to Chip Bohlen afterwards, "My God, Chip, he doesn't even know their names." And Chip said, "Don't worry, Cecil. He and Winston are ruling the world today. He doesn't need to know their names." Then there was a very interesting photograph of Bill Eddy, who was a Military Attaché -- I think he was a Marine.

Q: Oh, Colonel Eddy. Wasn't he at Tangier for a while?

LYON: Yes, I believe so. He was the interpreter for the Ibn Saud conversation and there's a picture of him kneeling at the feet of Ibn Saud and Roosevelt as he interpreted -- kneeling on one knee. I said to him, "The President said he was a 100% failure with Ibn Saud." He said, "I'll say he was. He said to Ibn Saud: 'As I flew over this vast desert I thought how marvelous it would be if we could irrigate it all and have it all green again as in Biblical days.' And Ibn Saud replied, Yes, and if you send me any more God damned Jews, I'll murder them." Ibn Saud wasn't impressed at all by the power of the USS Quincy on which he came aboard. He just took it all in his stride and he was that way with the President.

Q: He brought his sheep and goats with him too.

LYON: That was on the destroyer, either sheep or goats, I've forgotten which. They built a fire on the deck of the destroyer to roast them and the poor captain almost had conniptions.

Oh, I started to tell you. The President, I thought, looked frightful. And about a week after that, Kippy went away exhausted after all this and I was in charge. And I kept getting telegrams from Moscow that Ed Flynn -- I don't know if you remember who he was? but he was the Boss of the Bronx, they called him Paving Stone Flynn, or Cobblestone Flynn, or something because he allegedly had them build a driveway for himself out of the city's funds -- or paving stones. He'd gone with the President to Yalta to try and do something about the church, he being high in the Catholic Church. And when he'd gone with the President he hadn't even taken a passport. And then the President left Flynn behind after Yalta to go to Moscow to talk with the Russians about the church and trying to get permission for a priest to go to Moscow for the American Embassy. Then Flynn found himself without a passport. So they were sending telegrams to me to see if he couldn't get into Cairo without a passport. He did, and he was staying at the Shepherd's Hotel and he found it very cold so -- Elsie was away -- I said "Come and stay with me." And he came and stayed with me so I got to know him quite well. I said, "I was shocked by the President's appearance. And who is this man Truman anyway?" I didn't know anything about Truman in those days. He said, "Don't worry about Truman, he'll put things back where they belong. He'll give the Congress its authority, its rights and he wants to do things accordingly as our Founding Fathers wanted." And he said, "Don't worry about the President." I said, "Well, his face is all shrunk." He said, "Oh, he has just had a lot of teeth out." Well we know that wasn't true. He went home and died a few weeks later. And I'm told that when people saw him in the movies in New York after Yalta, they said, "Oh, my goodness!" and you could sort of hear a sigh in the theaters.

Q: Oh, I'll never forget his death. We were in Annapolis then. I think I told you it was as if one of the mainsprings in the universe had broken when the news came through about Roosevelt.

LYON: Well another thing, Flynn might have got me into trouble because he had this reputation of not being too honest, I guess. He came home one day and he said, "I've just seen a beautiful star sapphire, just like the one Joe Davies gave his wife, and I'm going to get it. But I never know how much money I have, so I'm going to just ask you to pick it up for me and my secretary will send you a check." Well, I thought, you know, "Young secretary receives \$6,000 from Ed Flynn" or something like that. So I said, "Oh, I'm afraid I can't do that. It isn't allowed." And I talked him out of it but I had a few horrible moments thinking of all the trouble I might get into.

We had a funny time -- not a funny time but rather a serious time. Elsie hadn't been able to get out to join me. I'd got there ahead of her. During the war we'd rented our house and were having some trouble getting it back in Washington so Elsie stayed on to take care of that. And then a fellow called Freddy Lyon, who was in the State Department, was head of all the sort of hush-hush business...

Q: Freddy Lyon was the Consul in Algiers, wasn't he?

LYON: Later, but at this time he was in the Department doing security, I guess they called it. Mr. Grew, my father-in-law, was then Under Secretary of State. And one day Freddy came to Mr.

Grew and said, "I understand Elsie is going on such and such a boat." He said, "I haven't been able to sleep at night because I'm worried that the German submarines have been taking people off boats and they might, because she's your daughter, grab her and the children." So Mr. Grew told Elsie and said, "It's your decision, but naturally I'm going to worry." So Elsie decided to wait and came in a convoy and that was that. And on the convoy one of the children got ill, Alice, I guess it was, and they didn't have a doctor aboard, and Elsie said they had the most wonderful scene of the doctor coming aboard from a destroyer that came alongside them, and they swung him over in the boatswain's chair. Elsie said it was wonderful.

Cairo was a sad place in many ways. The Copts were very rich, you know. They all had properties up the Nile, sugar plantations and things, and they would entertain the King in the most lavish manner. You'd go and dine off gold plates, with food overflowing. And then you'd go out in the street, and you'd have to step over the people who were sleeping on the sidewalks. This, of course, upset Elsie, who is terribly sensitive, and she was not too happy at all during our stay in Cairo. There was a very rich Egyptian called Aboud Pasha and he'd made a great fortune. He was a self-made man, and he had a Scots wife. I got to know him quite well, and I tried to interest him in doing something for social laws, or to help the poor. I got nowhere even though I thought he was the sort of man who might see the need for change.

Then we had a Russian refugee lady who we became great friends with. She was an artist and the only way she could support herself was painting. You'll notice around this house paintings of our children which she painted; our dog and Elsie; she painted everything. I think she charged about \$100 or got about the equivalent of \$100 -- or maybe \$50 in those days, I don't know. Yet we could persuade none of these rich Egyptians to have their children painted, although it was pin money to them, but they had no interest in helping people.

Q: Well, of course, there's the Moslem taboo also, isn't there, about having yourself photographed or painted?

LYON: That puts a better light on it. I thought they were just being...

Q: It's not universal, but it certainly was taboo in Morocco.

LYON: I thought it was just because they were not kind enough to help people.

Q: Tell me. What was the actual status of the British by '45 when you left?

LYON: They were still there. It was after the canal business that they were out.

Q: Was there still a Protectorate with a Commissioner? There was no Embassy, it was a Residency there, wasn't it?

LYON: Yes, yes, that's right. They had a High Commissioner.

Q: Somebody said that after they left they just changed the label from Residency to Embassy, and business went on as usual.

LYON: I think they did. Sir Miles Lampson, a great big six- foot-three or-four man, weighing about 250 pounds -- they used to call him Porky -- well anyway, he came in to see Kippy Tuck one day and I was with them. He was roaring with laughter. He by then had become Lord Kilearn. He said, "You know a funny thing has just happened. An America journalist came and he interviewed me and when he got through he said, 'Oh you know, its so nice to talk to you, Lord Kilearn. The last time I was here there was a horrible man called Sir Miles Lampson.'" He thought it was a wonderful joke.

I don't know what else I can say. I've gone into a great length really: Ed Flynn, the President's health. Of course, as I've always had at every post, I had very good relations with my British colleagues and there was a fellow called Jim Bowker, who was then my vis-a-vis -- we had got to be very good friends. And I was always amused the way the British handled things compared to us. He and I motored up to Balbek. And then we went to Israel, and when we got to the border the British were in charge, and some soldier wouldn't let me through because I didn't have a visa. So Bowker just took my passport and wrote me a visa and signed it British Minister, and they let us right through. Can you imagine doing that in our Service?

FRANK SNOWDEN HOPKINS
Assistant Chief, Division of Training Services
Washington, DC (1945-1947)

The following was taken from Mr. Hopkins' memoir.

HOPKINS: Upon returning to Washington, I was told by Chapin and Steyne that Foreign Service personnel plans, which included the proposed new staff college, were proceeding slowly and could not mature until new enabling legislation was passed by Congress. A special team was being organized in the Division of Foreign Service Planning to draft this legislation, and arrangements were in process to bring Carl Strom to Washington to be put in charge of this work. Meanwhile, OFS had been favorably impressed by the training plans I was putting on paper and thought that I should continue my educational tour. It would be a good idea, my mentors thought, for me to visit other geographic areas and see posts quite different in character from those I had studied in Mexico and Cuba.

This was sweet music to my ears, for I was keenly interested in seeing as much and learning as much as I possibly could. Plans were worked out for me to spend a week in Montreal in order to see a busy visa-issuing post, then to spend a month in Cairo and nearby posts in Lebanon, Syria, and Palestine. After that I should spend a couple more months in Western Europe, studying especially the work of our two most important embassies, those in London and Paris. I made the Montreal trip in October, then early in November reported at the Washington Airport to take a DC-4 plane across the Atlantic to Cairo, with refueling stops at Stevensville, Newfoundland; Santa Maria, in the Azores; Casablanca, Morocco; and Tripoli, Libya. The flight was operated by the US Army's Air Transport Command and I flew on military orders arranged by the State Department. Commercial flights to Europe had not yet at that time been resumed.

The importance of Cairo lay in the fact that a number of economic specialists were stationed there who had regional responsibilities for much of the Arab world. They were concerned with such matters as petroleum production, civil aviation negotiations to obtain landing rights for American airlines, trade promotion, agricultural development, the disposition of leftover military supplies and equipment, and the beginnings of a Near East labor movement. There were also still remnants in Cairo of the Office of War Information and the Foreign Economic Administration, both in process of liquidation. Responsibilities and operations were in a state of flux, and it was hoped that I could make some useful observations and recommendations on what the postwar Foreign Service should do about the leftover units.

Before leaving Washington I had spent several weeks writing additional papers for OFS. One of them dealt with introductory training for new FSOs. Another dealt at some length with the clerical and secretarial personnel of the Foreign Service -- the indispensable subordinates without whom the officer personnel could not effectively function. I had seen and talked with code clerks, file room managers, secretaries, and administrative assistants, and had already reached the conclusion that they were not receiving the attention they deserved, either before leaving the Department or after arriving at embassies and consulates. This was a matter already much on the minds of Strom in Mexico City and his counterpart Richard F. Boyce in Havana.

For the most part, I wrote, we recruited well-qualified people, attracted to the Foreign Service by the glamorous prospect of traveling and living in foreign countries. They needed relatively little technical instruction in office skills, but far better orientation than they were receiving in what the Foreign Service was all about and what it was like to live in foreign countries and have social contacts with local people. They were going to be representatives of the United States abroad, regardless of their rank, and in a very personal way they would contribute to the impressions which foreigners have of the American way of life. So I outlined a Washington orientation program for all newly employed clerks and secretaries in which they would be psychologically prepared for life abroad and impressed with the responsibilities which they would have as emissaries of good will. I thought also that the administrative arrangements for their travel and their reception at foreign posts should be improved, so that every new employee would be met on arrival and carefully assisted to make initial living arrangements. My paper also proposed that officer personnel should be instructed to include their secretaries and other subordinates in Foreign Service social life, and that every officer should be judged in his annual efficiency report on how well he dealt with the needs of the employees under his supervision.

During my time in Cairo I was glad I had written this paper, for I became quite interested in the subordinate personnel at the Legation there. Several Foreign Service girls who were stationed in Cairo had been recruited in Minnesota. It was easy to establish rapport with them on the basis of my own familiarity with the Twin Cities area, and I was invited to visit their apartments and see how they lived, groups of bachelor girls together. Later on I was to talk to the chief of the economic section of our embassy at Brussels who said to me, "Look, I have eight of the most competent economic officers anyone could wish for. But I don't have enough secretaries to type their reports, and I would gladly exchange any two of my officers for a bright girl who could run my file room efficiently!"

The flight to Cairo was a slow one by today's standards. We left Washington on a Friday morning, got to Newfoundland in the afternoon, spent the first night crossing the Atlantic, had breakfast in the Azores, and then dinner that evening in Casablanca. At each landing we were on the ground for some hours. The second night we flew across northern Africa, by this time demoted to smaller plane, a DC-3. We had breakfast in Tripoli, and after flying along the Mediterranean coast of Libya arrived at the Cairo airport in mid-afternoon. It was a thrill for me to look down on the long green ribbon of the Nile Valley as we passed over it and circled so that we could get a good view of the famous Pyramids at El Giza.

It was not nearly so thrilling to land at the airport on Sunday afternoon and be surrounded by Egyptians chattering in Arabic. There was no one from the American Legation to meet me, and in fact no Americans or British in sight. I finally managed to get a telephone call through to the Legation, and was told by the Egyptian employee on Sunday duty at the switchboard that I should come on into the city and register at famous Shepheard's Hotel, where a room would be engaged for me. Wasn't there an American duty officer? For I knew that there was supposed to be one. Well, yes, but he was spending the afternoon on the golf course. He would get in touch with me at Shepheard's.

The problem with this arrangement was that Shepheard's was filled up and had no space. When I called the Legation again, I was asked please to sit in the lobby until a hotel room could be found for me. I felt badly in need of a bath, after some 56 hours of travel, but whiled away the time pleasantly by joining a lonely British major for a drink in a corner of the lobby; he had come in from Suez for a little Sunday relaxation and was glad to have company. Several times I received telephone calls, including one from the duty officer, who apologized for not greeting me in person, muttering "Sunday afternoon, you know!" somewhat unconvincingly. Another call came from a more senior officer of the Legation, a first secretary serving as chargé d'affaires during the absence of the Minister Plenipotentiary, inviting me to join a group at his home for dinner. And finally the switchboard operator did find me a room in a rather stodgy hotel which seemed to be filled with British army officers.

At the Chargé's home that evening I was received hospitably and plied with food and drink, but I was tired after my trip and not at my best. I remember that my hostess, having grown up in the Foreign Service, the daughter of a famous ambassador, was quite persistent in urging me to have the Department arrange things in such a way that officers on transfer would be moved into furnished quarters at each post and not have to bother with packing and unpacking their own furniture, transported long distances at Government expense. Responding to my host's excellent scotch highballs, I was not in a mood to take this idea seriously, and in a spirit of levity made a further suggestion -- that each transferred officer not only inherit his predecessor's furnished quarters, but also his wife and family. Then each officer would be interested in replacing a colleague junior to himself, so that he could acquire a younger and prettier wife; and for the sake of that bonus, he would be willing to move downward in the Service to a lower rank and status. Counselors of embassy would become first secretaries, first secretaries second secretaries, consuls general would be denoted to consul and then on to vice consul. Eventually could have the whole Service running backward instead of forward. All the tension about promotions to higher ranks would disappear, for each officer's thoughts would be concentrated on his prospects for a happy demotion.

At first everyone seemed baffled by this mischievous nonsense, but as I rambled on with elaborations my listeners caught on that I was just having fun and finally started laughing. They began to make further suggestions, and we wound up quite hilarious. Since I was billed as being from the sacred and sanctimonious Department of State, some of those present must have thought that the staid old Department was becoming a bit balmy in its old age.

The Cairo Legation

For the next several weeks my attention was riveted on the legation staff and what each person's duties and problems were. I had lengthy interviews with all American employees, a procedure which was helped along by the Legation's work hours -- starting at 8 a.m., stopping at 1 p.m. for a three-hour lunch break, and resuming at 4 p.m. for three more hours. Each day I was invited home for luncheon by someone, usually an officer, and we could cover a lot of ground in a leisurely manner. Just as in Mexico and Cuba, I found FSOs not only willing to talk to me freely, but delighted to be able to unburden themselves to a visitor who would listen sympathetically to recitals of achievements and frustrations.

Thus I talked with a fiscal and accounting officer with a status-conscious East European wife who was eating his heart out in misery because the two of them were not on the diplomatic list; to an FSO administrative officer who hated his job and yearned to be assigned to political reporting; and to a commercial officer, also an FSO, who felt humiliated because the Minister had chosen a younger and lower-ranking political officer to be in charge of the Legation during his absence on home leave. This caused the Commercial officer's New Zealand-born wife to lose status in the eyes of the British official community. To make things worse, the Queen of Egypt was about to receive all the American Legation wives at the royal palace. The New Zealand wife wanted the British Ambassador's wife, not the young wife of the American chargé d'affaires, to present the wives to the Queen at this reception, but no one would listen to her proposal.

And so it went. Along with the personal grievances of some officers I was impressed with the deep seriousness of others. Many had interesting jobs, in some cases taking them on trips to Saudi Arabia, Iraq, and even Iran, and I learned a great deal from talking with them. I also had some personal visits to places of interest, including archeological digs at El Giza and a half day inspecting an oil-drilling site. I had many long walks through the streets of Cairo, observing the dirt and misery of a poverty-stricken populace, and even sampled a bit of night life to get my first sight of Middle Eastern belly dancing.

In the absence of the Minister I could not fully evaluate the Legation's effectiveness, but it seemed to me that each officer at Cairo was "doing his own thing" with little supervision and that there was a lack both of staff cohesion and administrative control. The contrast with Messersmith's tight organization in Mexico City could not have been sharper. The petroleum attaché, for example, had excellent relationships with American oil company representatives, who kept him well informed on all that was going on, but felt little obligation to share his information with Washington, ignoring repeated urgent telegrams asking for reports. He was only a temporary specialist, borrowed from a major oil company for the duration, and was soon to return to his original employers. I was amazed at his insouciance.

A strange thing happened to me one day which illustrates how out of touch with reality many Foreign Service people were in 1945. I had become quite friendly with the chargé, whom I found personable, intelligent, and eager to please. One Saturday morning one of our Egyptian messengers, a young man wearing a red tarboosh, came rushing into my workroom. He told me excitedly that the chargé d'affaires wanted me to join him immediately in the Minister's office -- immediately, at once, on a most urgent matter. I wondered what on earth could be so urgent, while the messenger danced around me in an agony of impatience.

Entering the Minister's office, I found the chargé, whom I shall call Ronald, serving a morning cup of tea to a visitor -- a carefully groomed elderly Arab gentleman with a goatee, leaning on a gold-headed cane and wearing on his head the usual red tarboosh. Ronald leapt to his feet, and with great deference introduced me to "His Royal Highness Prince Mohammed Ali." he described me to the Prince, who it turned out was King Farouk's uncle and heir to his throne, as a representative of the U.S. Department of State who was studying "the problems of the Foreign Service." Perhaps, Ronald suggested, His Royal Highness, who had observed us over many years, could give me his ideas on deficiencies in our Service and how they could

I felt the hackles on the back of my neck begin to bristle and I am sure my face was reddening with anger. Why on earth should I care what this aging scion of third-rate royalty in what was then an unimportant country thought of any aspect of the United States of America, the world's most powerful and successful nation-state? Why should I, introduced as an official representative of my country, be put in the position of having to listen to this old nobody criticize us? The whole situation seemed to me both nonsensical and humiliating.

Fortunately, the old Prince misunderstood the question, and began to talk about how improper it was for Christian countries to send missionaries to Islamic countries which already had their traditional established religion. We parted politely after some aimless chatter, but inwardly I was boiling. Later on I brought up the subject with Ronald, and threshed it out with him. You are undervaluing your country, I told him. Forget about ancient royalties and focus on the power realities of the postwar world. Ronald was quite taken aback. He had been pleased, he said, when Mohammed Ali, heir to the throne of Egypt, had dropped in for a friendly chat. He wanted me to see on what friendly terms he was with the royal family, and had not realized that he would embarrass me. Ronald was essentially a talented officer, and in his later career did well, advancing to ambassadorial rank. But in 1945 he had not yet learned that after World War II we were living in a different world, with new social and political values.

After several weeks in Cairo, during which my education was advanced considerably, I took another week to visit Beirut, Damascus, and Jerusalem -- two legations and a consulate general. (In 1945 the Foreign Service had Ministers rather than ambassadors in the smaller countries. The diplomatic missions headed by Ministers Plenipotentiary, including Cairo, were called legations.) I found bright young officers in all three places and was particularly taken with the 30-year-old chargé d'affaires in Damascus, a rather fiery young man who was not at all loath to assert himself and who seemed very much on top of his job. I liked him far better than I did some of the older men I met in the Middle East, who felt that the British had a strong traditional policy in the area, while ours was weak and uncertain. This young officer, whose name was William J.

Porter, was to advance to ambassadorial rank and represent our country effectively at several US embassies.

It was while I was touring Lebanon, Syria, and Palestine that I first encountered the Zionist question and the beginnings of the Jewish-Arab conflict which has been a major problem for the United States for the last forty years. The word had come over the wires that President Truman had made a public pronouncement favoring unrestricted Jewish immigration into Palestine, then a dependent area ruled by the British under a League of Nations mandate. There were about 500,000 Jews living in Palestine in 1945, I was told, but it was still an Arab country and the Arab leaders were reported to feel that to admit any more Jews would be a tragic mistake, sure to lead to future trouble and turmoil. It was mostly with Americans in the area that I discussed this development, and I found them deeply worried lest encouraging Jewish immigration would wreck all dreams of future good relations with the Arab world.

My general impression of the populations of Lebanon, Syria, and Palestine was that they were far more progressive than the Egyptians appeared to be, and had a noticeably higher standard of living. I did not see only the cities of Beirut, Damascus, and Jerusalem, but traveled between them in American legation cars and had ample opportunity to observe small towns, villages, and agricultural life. People everywhere appeared busy and cheerful, and as we passed through villages with our American flag flying, children would run beside us shouting at us happily, and we would toot at them in a merry return greeting.

Back in Cairo the first week in December, I said goodbye to all my new Foreign Service friends and departed by Army Transport Command plane for London. My feeling on leaving the Middle East was that my visit there, lasting five weeks, had been one of the great travel experiences of my life. I had never before visited such exotic countries or seen such fascinating sights. The work of the Foreign Service was much more diverse than in Latin America, and the problems more challenging. There was economic promise in the area, largely because of oil resources and prospects, but there was political ferment and uncertainty. Training personnel for duty in this area was going to be a complicated task, involving much instruction in Arabic and other languages and intense study of cultural and political factors.

NORMAN L. PRATT
Vice Consul
Alexandria (1946-1948)

Norman L. Pratt was born in New York in 1916. He graduated from Dartmouth College with an A.B. degree in 1937. He served in the U.S. Army from 1941 to 1946 and then joined the Foreign Service at the end of 1946. His overseas career included posts in Egypt, Libya, Germany, Morocco, Syria, Lebanon, and South Africa. Mr. Pratt was interviewed by Dayton Mak in 1991.

Q: What was your first post?

PRATT: I went back to Egypt as vice consul at Alexandria. It was a fairly routine operation in retrospect, although I did have a brief period of being in charge while the consul general, Hooker Doolittle, went on leave and transfer before his replacement arrived three months later. It was a fairly quiet time. We did have one or two bomb threats and that sort of thing.

Q: Bomb threats by whom?

PRATT: Oh, against the Americans. The British were in the process of leaving the Delta area...moving out their troops from Alexandria and Cairo into more secure installations at the canal. The Americans, of course, were always to blame in that part of the world for that sort of thing too. We were the staunch ally of the British in the Egyptian eyes.

Q: What were our interests that you had to look after in Alexandria?

PRATT: In Alexandria our principal interests were the usual protection of Americans. We had about 150 Americans in the colony there and a few missionaries down in the Delta. The rest of it was the routine of consular visa work. One interesting aspect of it was the fact that we still had the remnants of the consular court system. Personal status cases of American citizens were not tried before any local court but came before the consul general sitting as judge of the court. I became quite popular when it was discovered during my brief period in charge that I had perfectly legal authority to grant divorces.

Q: You had authority over whom?

PRATT: American citizens. If they wished to have a divorce they could come to the consulate and apply for divorce and the usual legal procedures. Actually, in a case like that we would seek what was known as a referee, to join the consular judge at arriving at a decision. We had two judges on the mixed courts of appeal, the mixed courts of Egypt, before which foreigners in those days went to trial. One was Judge Brinton and the other Judge Henry.

Q: Was that Robert Henry?

PRATT: Robert Henry and Jasper Y. Brinton.

Q: Judge Henry's son Bob later became an official with ARAMCO, I believe, in Saudi Arabia.

PRATT: I am not sure of that. There was a Henry who was an oil executive who went on active duty in our Headquarters in Cairo during the war. He was a Mobil Oil official before then.

Q: Was there anything else of interest that you did there? Was it pleasant living?

PRATT: It was excellent living. We had no problems. We had our share of ex-royals floating around. I remember watching the funeral of Victor Emmanuel of Italy going down the main street of Alexandria. It was Farouk's way of paying respect to other royalty.

Q: What was the attitude towards Americans in Alexandria at the time?

PRATT: We really didn't have any problems with the mayor. We could even have naval visits in those days. We had the Sixth Fleet in once or twice. They did have to put the town out of bounds to all troops at one point when we did happen to have an oiler visit. The situation could easily arise when the town was out of bounds that somebody highly placed socially would be upset because it spoiled her party to which she had invited the admiral. She would in fact raise hell with the governor to get the town put back in bounds for the occasion.

HARRISON M. SYMMES
Vice Consul
Alexandria (1947-1949)

Harrison M. Symmes was born in North Carolina in 1921. He graduated from the University of North Carolina with an A.B. in 1942, and completed an M.A. at George Washington University in 1948. He served in the U.S. Army from 1942 to 1946. Mr. Symmes joined the Foreign Service in 1947. In addition to Egypt, he was posted to Damascus, Kuwait, Libya, and Jordan. Mr. Symmes was interviewed by Charles Stuart Kennedy in 1989.

Q: *Could you describe Alexandria when you went there in '47?*

SYMMES: Alexandria was absolutely fantastic at that time. You can pick up books like the Four Quartets of Lawrence Durrell.

Q: *The Alexandria Quartet.*

SYMMES: The Alexandria Quartets, to get some flavor of it. That was one aspect of it. Most of the kinds of settings that Durrell depicts were missed by my wife and me. [Laughter] Simply because we were sort of provincial and newly married and a lot of it was over our heads. We were just too innocent and naive.

But at that stage there was more royalty packed into Alexandria than there was left over in all the rest of the world. That may be an exaggeration, because there was still the Scandinavian royalty and the Dutch and Belgians and so on. But in Alexandria we had the Italian royal family, we had the Albanians, we had the leftovers of the Hohenzollerens (PHONETIC) such as the Princes of Hesse and that kind of thing. All kinds of odds and ends of people, Bulgarians, etc.

And these people, of course, had been there all during the war. They had plenty of money to spend, they had plenty to spend it on. Immediately after the war, the French were sending out all their best wines and everybody else was sending all of their best things of whatever nature, dresses, whatever, down to Alexandria. It was the jumping capital of what we later called an international café society.

Sometimes we would go to about three or four cocktail parties a night. I'd never had caviar

before and we'd have three or four different kinds of caviar and all kinds of marvelous dishes, at just the average cocktail party. There would be all kinds of guests -- the Calvis, the Countesses of Calvi were granddaughters or grandnieces of Victor Emmanuel. We were there for Victor Emmanuel's funeral. And it was just unreal to see the royalty marching in it.

Q: *You were a vice consul?*

SYMMES: I was vice consul. I was the junior officer on the totem pole in the consulate general. We had a consul general, we had a senior career vice consul, and we had a junior career vice consul and that was I. And we had a staff vice consul who was a commercial officer. And that was the size of the officer staff.

Q: *What was your main task?*

SYMMES: I was to do all the leftover dirty work, principally because I was so new. And this meant interviewing all of the stacks and stacks of people who were on the oversubscribed immigration quotas when they came in and reviewing those files.

Q: *These were for immigrant visas.*

SYMMES: Immigrant visas. Of course, at that time it was terribly strict. You'd have quotas that would have only a hundred people a year that were oversubscribed for the next 50 to 60 years.

Q: *Which remained. I remember talking to people who said that on the Indian quota you still have 125 years to go. [Laughter]*

SYMMES: [Laughter] Well, that kind of thing. And, of course, we had people who had been -- there were many British and other people of Western origin -- born in Egypt and, of course, would be on the Egyptian quota. We had all the Armenians and other expatriates who had happened to be born in Egypt or Turkey or Greece, and those quotas were very oversubscribed.

Q: *So in many ways, what you were really doing was holding peoples' hands.*

SYMMES: Exactly. Or trying to help them find a way to achieve non-quota status or some sort of preference status.

The other thing I did was shipping and seamen. I did, of course, citizenship. There were a lot of citizenship cases, people who had expatriated themselves in various ways.

And then what was the most interesting thing of all, I was judge of the consular court. We still had the capitulations or certain remnants of the old consular capitulations. And the capitulations - I need to describe that.

Q: *Why don't you describe it a little.*

SYMMES: During the Turkish empire, the various western countries interested in that part of the

world, principally the French and the British, had persuaded the Turkish empire to -- there were certain headings or capitulations in various kinds of treaties -- allow them because of the difference in law, the difference in the cultures, the Islamic and Christian culture, the Roman law and Islamic law, the Anglo-Saxon common law and Islamic law, to judge their own subjects in their little footholds in the Ottoman empire. Not just in Turkey but all around the area that the empire controlled. At that earlier time, the Westerners had both criminal and civil jurisdiction. This was good because it saved any embarrassment of too rigorous a punishment or what might seem to the Westerners an undue, unjust punishment. That situation persisted until well into this century when the capitulations were modified and, of course, much of the Turkish empire was broken up and most of the criminal jurisdiction was taken away.

Now in Egypt they set up what were called mixed courts. that is, mixed local and foreign judges. And most of the judges were Westerners, French, British or whatever, Dutch, and so on. And they continued to have some criminal jurisdiction for certain cases but it was primarily a civil jurisdiction. But the consulates retained what is called personal status jurisdiction, things like marriages, divorces and inheritances, which the mixed courts and the local courts couldn't apply because they just didn't have any people that knew anything about it.

The consul general was utterly bored by this and the senior vice consul didn't have any interest in it, so the consul general said to me, "You're the judge of the consular court." [Laughter] So I got out the Martindale-Hubbel law directory and other little helps and went to see the American judges on the mixed courts. There was a very famous judge, Jasper Brinton (PHONETIC), and another American judge, Robert Henry. They were, particularly Henry, very, very kind to me and would help me out. Most of the cases were just doing purely mechanical things in the administration of estates and seeing that the executors did their jobs and inventories were made and that kind of thing. So that was rather fascinating and sort of took me back to a more remote time. [Laughter] Those are the kinds of things I did.

Q: Did you have any political reporting in there?

SYMMES: We had very little political reporting of any kind. Such political reporting as was done, was done by the consul general and by the senior vice consul.

Q: Did you have any feel for the Foreign Service? Looking back on it now, how did you feel about the consul general's staff?

SYMMES: When I -- I should have told you this earlier- -went into the Foreign Service, I resigned a fellowship at the University of North Carolina, a doctoral fellowship. I resigned that fellowship to go into the Foreign Service when I got the offer because my wife and I couldn't find a place to live in Chapel Hill. I really wanted to stay in the academic world, and this was a fellowship in philosophy. I'd been told I could study philosophy of history and philosophy of religion, which were my principal interests at the time. But we couldn't find a place to live, so I went into the Foreign Service. When my wife and I made this decision, we said to ourselves, "If we don't like it, we can always go back to the academic world." And, in fact, the University had told me that I could probably get the fellowship back when I wanted it.

So in Alexandria, despite all this fascination I told you about -- which in a way was not my cup of tea, I didn't like it, let's put it that way -- I thought it was wrong to see the abyss between the Egyptian fellaheen and the slum dwellers of Alexandria and Cairo and these people who . . .

Q: The Egyptian fellaheen would be the peasants.

SYMMES: The peasants. Who were among the most low-lived people. Perhaps only in the Indian subcontinent were people worse off. This really disturbed me greatly.

But beyond that, I was disturbed by the consul general who was, it turned out, an alcoholic. He was also a homosexual and a throwback to an earlier Foreign Service. He was from a very wealthy Yankee family, as I would say as a southerner. He did not like southerners and, obviously, I was one. He and I didn't get on at all. And I didn't get on too well with the senior vice consul because he considered himself senior, a little bit older than I was. Thus, I felt in that unreal atmosphere and the fact that I was given these rather mundane, to me mundane jobs -- Let me say I think there's nothing so important as consular work, but it was not my cup of tea. It wasn't what I wanted to do with my life. And much of it was terribly frustrating because it didn't go anywhere, it was just reviewing files.

So I was considering leaving the Foreign Service by the end of my 18 months in Alexandria. My wife and I thought it was just too rich for us. We deplored the lifestyle.

Q: You represented really a new generation. You were right on the leading edge of a new generation. The old Foreign Service, which was often the way it is sometimes portrayed -- people still think it is today -- but actually there was an old Foreign Service prior to World War II and a newer one.

SYMMES: Cookie pushers.

Q: Cookie pushers. An old Foreign Service, very social, and a new one really, consisting of people coming from different backgrounds and usually with military experience.

SYMMES: Right. Well, the other thing was, I found that there was no way to get to know the local people in that atmosphere. First of all, we were so taken up, we had to go to all kinds of things to which we were invited. We had met two young Egyptian engineers on our way out to Alexandria. The consul general found out we were seeing something of them, and he said, "They aren't really the people you are supposed to be in touch with." That kind of thing. So I was ready to get out of the Foreign Service when word came that I'd been assigned to Damascus as political officer. I later found out that people back in Washington and in Cairo -- I can't name any of these people but people who knew what I was going through with the kind of boss I had and in that situation -- recognized in me some qualities that weren't being used and said, "Before this guy gets kicked out on probation, let's give him a chance to do something." So I was rewarded for my 18 months in Alexandria by being sent to Damascus as political officer.

PHILIP W. IRELAND
Chief, Political Section
Cairo (1948-1950)

Philip W. Ireland was born in Iowa in 1904. He graduated from Oxford University with a B.A. in 1933 and a M.A. in 1937. He received a Ph.D. from the London School of Economics in 1936. Before joining the Foreign Service, he was a professor at the American University in Beirut and the University of Chicago. His career included posts in Egypt, Iraq, Greece, and Syria. Mr. Ireland was interviewed by Charles Stuart Kennedy in 1990.

Q: What was your main work in Cairo?

IRELAND: I was the head of the political section.

Q: How did we view King Farouk and his government at that time?

IRELAND: It depended on the ambassador. Farouk was a friend of Pinkney Tuck who was a young man of about the same age and didn't regard King Farouk as quite the look down their nose at him as did many of the others that came along. Jefferson Caffery came and he understood Farouk better than anyone else that I have ever seen. I felt a great deal for him. He became a friend of mine. If he had worked from 6 in the morning to 6 in the evening and put the same energy into it that he did from 6 in the evening to 6 in the morning, I think he would have made a first rate king. He had ability and had built up a great degree of loyalty by the people of Egypt.

NORMAN GETSINGER
Regional Security Officer
Cairo (1951-1953)

Norman Getsinger was born in Detroit, Michigan on May 9th, 1919. Getsinger graduated from Harvard University in 1941 and served in the U.S. Navy during World War II. He has also seen tours in Egypt, Italy, China and Taiwan. This interview was conducted on January 19th, 2000.

GETSINGER: That came a little later. There is a sad story involved here. From being a security officer on this side, I was sent to Cairo, and I was part of the regional security office in Cairo. Cairo was where I met my wife. She was a Foreign Service secretary. We were married in a church with Ambassador Jefferson Caffery, giving the bride away.

Q: Oh, boy. He is one of our last imperial ambassadors.

GETSINGER: Oh, he was so impressive. He was a converted Catholic, then which there is no more Catholic person. I was one of his embassy officers. My wife was an embassy secretary. So, it was two people on his staff. She was Catholic, and we were being married in

a Catholic church. So, he sent down word to me that he would be prepared to be the father of the bride. I tried to call the wedding off. It was too late. He was part of the official wedding party.

Q: Can you describe the security apparatus? You mention Catholics, and I came in in 1955, and I remember snickering with a friend, walking down the corridor that had the security officers in it, and almost every person's name, who was male, had an "X" as a middle initial, which usually meant Xavier, which invariably meant they were Catholic, an Irish Catholic at that. How did you find it when you came in?

GETSINGER: Let me jump in here and say that after I finished my tour in Cairo... I want to go back because I have a historic thing that happened with the burning of Cairo, and then go back to that. But to get into the question of security, when I came back from Cairo, I decided to get into the Chinese language program. I wanted very much to get into this program. This was my life work, to be in China, and the Chinese affairs. So, I succeeded. They put me into the language program, and I went to Yale. We were sent to Cornell for advanced Chinese training. Then, about that time, Mrs. Shipley was combing the files of the Department. She had her own security.

Q: She was the head of Passports.

GETSINGER: Yes. She had her own records. McCarthy had declared that there were a certain number of communists in the Department of State. So, she would help him find one or them. Going through the records, she discovered that on my way back from China... I had been at an embassy party in Bangkok and had told one of the secretaries there in the consul's office, who reported to Mrs. Shipley, that I made remarks to the effect that Chiang Kai-shek was guilty of corruption and nepotism. This had gotten in the records. Strangely enough that was enough to lead the department to call me out of Chinese training and put me into administrative duties while they checked on whether or not I should be discharged as a procommunist in the department. For about a year, I was working on forms' control, down on the ground floor of the department. I knew, of course, that they didn't have anything that they could really use, but I couldn't get a hearing. Douglas MacArthur, Jr. was counselor of the department at that time. He had been a friend of my brother's. My brother had been in the Foreign Service. My brother importuned him to get a hearing for me. He was big enough in the department to force a hearing. I sat down as we are sitting here, with a microphone and a couple of security interrogators and we went over my background in China, and my relationship with the nationalists and the communists, and I was cleared. But, it took them about nine months to clear me. Every morning, I would get up during those nine months and say, "This is ridiculous. I'm going down and resign." But, then I thought that if I resigned from the Foreign Service they would think that I was one.

Q: I am interviewing someone else, who had almost the same thing happen. He was called out and called back, and leaned on to resign by Scott McCloud. He did not resign. Eventually, they found out that he was not the person they thought he was. It was somebody else. But, this was very much the atmosphere of trying to get as many scalps as possible. One of the ways was to pick people, and then hope they would resign. Then, you could claim you

caught one.

GETSINGER: That is exactly what I was part of. Of course, I didn't resign. I was eventually able to get the hearing. If my brother hadn't had connections with Doug MacArthur, I might have eventually given up.

Q: Well, let's go back to Cairo. You were there as a security officer, from when to when?

GETSINGER: From 1951 to 1953. This was a marvelous travel opportunity, I must say. Being a regional officer for security in the Department of State, I traveled in Pakistan, India, Afghanistan, Ceylon, and five countries in Africa. I went around and checked on the security of personnel and physical security. It was the beginning of some security consciousness. We were really beginning to button things up. When I got to Afghanistan, the embassy code room, in Kabul was separated from the outside by a mud wall. Anybody with a spoon and a little moisture could have dug a hole through the wall and entered the code room. When I got back to Cairo, of course, I gave them a report, and they put in a steel plate inside the mud wall. That was the kind of situation we had.

In New Delhi, I made a lunch time check on the embassy and I found the top secret safe of the agency wide open. I reported it to the agency, the CIA rep. I expected that the officer who had been responsible for leaving that open would be fired, but he wasn't. There was a way they protected themselves. A Foreign Service officer with that same kind of incident would have had a black mark on his record that would follow him. The CIA did nothing, and that safe was wide open.

The incident that I wanted to tell you about was on January 27, 1952. That was the day Cairo burned.

Q: At Sheppard's hotel?

GETSINGER: Sheppard's hotel went down. The other security officers were away on inspections. I was the security officer in the embassy at the time. The chief of police warned me that there was going to be rioting. I told the ambassador and we got all the embassy staff out of the embassy, and back home. We got them out in the morning. Well, the rioting did take place. It got worse and worse. That was the day when the mobs were led through the streets by trucks, and in the trucks were containers of gasoline. The night before, they had gone through the city and put Xs on the doors of the places that were to be burned. This was the day when the British were coming out of their club, I think it is called the Jockey's Club, and thrown back into the burning building by the mob. There were a number of Brits burned alive. My bride was on the roof of our honeymoon apartment in Gazira Island, across the Nile. Of course, our communications were cut. But, she could hear the shots and see the smoke billowing up in the city from her place on the building across the Nile. The chief of police said the problem was that the king would not call in the army, and the police were not going to be able to contain that mob. I told the ambassador. The ambassador said, "Well, we have to get to the king and have him call in the army, because otherwise, the whole city will go." There were going to be mass murders. All communication had been broken between the

embassy and the palace. The ambassador told me if I would get a jeep or two of the police, who would lead the ambassador across the city, then he would go to the palace, through the mob, and get the king to call in the army. We did that. We got a couple jeep loads of police, and the flags were unfurled on the embassy limousine. The gate was open and Ambassador Caffery drove through the burning city, through the mob, to the palace, got a hold of Farouk, and told him that unless he called in the army, the city was gone, and his reign was over. The king told the ambassador that he could not call in the army because his intelligence had told him that the army officers were planning a coup against him, and if he brought in the army, they would never leave. Caffery told the King that if he would call in the Army, he would use the power, the might, the majesty of the United States to make sure the military would withdraw and would support its contingency rules. So, the king got on the golden phone and called out to the Army, which was out beyond the airport, and called in the Army. The ambassador returned to the burning city with the American flag flying on his limousine, to the embassy. We shut the embassy gates. The Marines pulled out their sidearms, and we began to burn classified material on the roof of the embassy. It was top-secret stuff that was being burned in the incinerator, because the first elements of the mob were coming down, through the alleyway, between the British embassy, across the street, and the American embassy. They were actually scaling the walls of the embassy. There I was with half dozen marines, and we were going to have to be prepared to defend the embassy. Just at the point where the first members of the mob were crossing over the wall, the first elements of the Army, the squad cars of the Army, came through and scattered the mob, and we were saved. Of all the experiences I had in the Foreign Service that was one of the most remarkable, that our ambassador could do that.

Q: What was the cause of this riot?

GETSINGER: Cairo was in terrible shape in those days, because there was a lot of agitation about the British control of the Suez Canal. This was part of the build up that finally led to the surrender of the canal by the British and French. There were a number of conflicts between Egyptian police and the British in Ismailia, and all through the canals. There had been several riots. It was to get the king to put the pressure on the Brits to line up with the nationalist forces. It said that Egypt should control its own canal. The rioting was so bad, and the uneasiness was so bad in the city, that my wedding had originally been planned in the Catholic Church in Cairo. It had to be moved to the little Catholic church on Gazira Island, which is separated from the main city of Cairo, by a couple of bridges. It could be defended by the police and kept calm. So, I was married on the island in the Nile, instead of downtown in Cairo

WILLIAM HENRY WEATHERSBY
Information Officer, USIS
Cairo (1951-1953)

Public Affairs Officer, USIS
Cairo (1953-1957)

William Henry Weathersby was born in Mississippi in 1914. He received a B.S. degree from Mississippi Southern College in 1934 and completed a B.J. degree at the University of Missouri in 1935. Mr. Weathersby began working for the State Department under the functions of what later became the United States Information Service. His overseas career included posts in Egypt, India, and Sudan. Mr. Weathersby was interviewed by Jack O'Brien in 1989.

Q: I understand you had an exciting first day. Tell us about that.

WEATHERSBY: It was a nice first day, although my family and I were somewhat exhausted. We had arrived by ship early in the morning at Alexandria and waited a long time for luggage before my wife, two children and I finally moved by train to Cairo. An Embassy car took us and baggage to a hotel overlooking the Nile. It was late in the day, and we collapsed for a little rest, which was disturbed by a telephone call. The Embassy protocol officer was sending a car over to convey me to the palace to sign the royal register. About half an hour after my return to the hotel a special messenger brought an invitation for my wife, Ruth, and me to the reception that evening at the palace celebrating the marriage of King Farouk and Queen Narriman.

I phoned the Embassy fellow who was supposed to be keeping up with diplomatic etiquette and asked under what circumstances I might avoid going to the reception, given the shape we were in, with no pressed clothes and no one to care for small children, and he replied: "If you don't go you're either out of the country or on your death bed." I told him I was going to bed immediately on the chance of beating the odds and recovering the next morning. I did recover.

Q: There's an interesting story I have heard about the circumstances of Farouk's departure and how that was facilitated by the American Ambassador. Can you tell us that?

WEATHERSBY: The most experienced ambassador of the United States at that time was Jefferson Caffery. Egypt was his last assignment, but that summer, as usual, he and all other ambassadors were in Alexandria, because the King was there in his summer palace. In his absence we received through one of our military attachés a report of a coup d'etat in the making. Several of us were called into the Ambassador's office by the Deputy Chief of Mission about midnight. We were monitoring the radio broadcasts, were in touch with the Ambassador by telephone, and messages were being sent to Washington. I happened to answer a telephone call. The cultivated voice asked in English to speak to Ambassador Caffery, and I explained that he was in Alexandria. There followed an explosion of expletives in Arabic, only a few of which I understood. In any case, our Embassy telephone operator called me back to the phone and explained that it had been King Farouk calling for help and that his colorful language was bawling out his operator for the mistake of placing the King's call to Cairo instead of Alexandria.

Just before dawn General Naguib, who later turned out to be the figure-head leader of the coup master-minded by Colonel Gamal Abdel Nasser, read over the radio a statement announcing the formation of a military regime. I got into my Chevrolet and drove through empty streets some thirty blocks to Egyptian State Broadcasting headquarters. There I parked directly in front of the main entrance, found to my amazement the door open and no one in sight, and began to think

how strange a coup it was. I searched the first two floors and, finding no one, ascended the stairs to the third, where a man in civilian clothes sat at a desk. I introduced myself and said we had heard the speech and would like to get a copy of it.

"I'm sorry, sir," he said. "After General Naguib left, a man from the BBC was here, and he got the only copy that we had." On my way to the BBC offices, all was still and virtually nobody was in the streets. The BBC made a copy of the speech for us.

Q: Did the Ambassador help King Farouk?

WEATHERSBY: Certainly not to hold on to his throne. But he may have saved his life. There was a dispute within the Revolutionary Command Council, which became the governing power, over what to do with the deposed king, who was in effect under house arrest in his Alexandria palace. Ambassador Caffery convinced them to let him go into exile, and was cheered in the streets of Alexandria as he was driven to the palace to see the ex-king off aboard his yacht.

Q: How did the revolution affect our activities in Egypt?

WEATHERSBY: The USIA programs were continued without any real change in the first months after the revolution. Our libraries were well used. Our Arabic language periodical maintained its circulation. The Franklin Book Program was begun by Datus Smith, with the cooperation of USIS in Egypt, and it continued as did the excellent Fulbright program through both the easier and more difficult times. Some of us of the USIS staff were invited to lecture at Egyptian institutions as well as the American University of Cairo.

Our Public Affairs Officer, Bob Payne, was assigned to Tehran, and I succeeded him and returned to Cairo for a total of three tours. However, as disputes between the U.S. and Egypt began to grow over such matters as the U.S. withdrawal from the Western undertaking to help build the high dam on the Nile, military pacts in the region, and the U.S. rejection of an Egyptian request for arms, the government caused some difficulties in our communications with Egyptians. Some of our work continued to be effective, but it was a time of uneasy relations between the U.S. and Egypt when I left in 1957 to return to Washington.

Q: I understand that Ambassador Caffery underwent a change in his attitude toward the United States Information Service. Can you tell us that story, Bill?

WEATHERSBY: The day after my arrival there I was summoned to see him. He welcomed me, shook hands, graciously sat me down and said: "First of all, I'd like to say that I don't have any use for USIA." My only response, as best I remember, was: "Well, I hope we may be able to change that."

Then he let me have some of his views on the practice of diplomacy. After these many years I remember some of his points, such as, "It is not always necessary to tell all the truth you know, but you should never tell a lie, and if you do you surely will be found out." My greatest act of diplomacy at the time was to let him continue talking without interrupting beyond showing my understanding. When I was allowed to return to my office, his secretary, Eunice Taylor, who did

all of his telephone talking for him, called to say, "The Ambassador is going to the research center on the Red Sea this week, and would like for you to join him and the Marine guard." We flew to Ghardaqa and with Eugenie Clark, American research at the Marine Biological Station as our tutor in a glass-bottomed boat, we learned a great deal about the underwater riches of the Red Sea.

Dinner lasted for three hours, not because so much food was consumed, but because the Ambassador enjoyed talking mainly about his experiences and had no reluctance to share his wisdom. As time went by, he became very supportive of USIS. Before retiring, he called me into his office to say that he had learned to appreciate the work of the U. S. Information Agency.

I resisted commenting upon how smart he had become but did suggest that since he was the senior diplomat in the Foreign Service it might be useful for him to write his views on the subject to the State Department. "Good idea," he said, "draft me a letter."

Q: Good story. Bill, I think you told me you were in Cairo nearly seven years. Later, Abbott Washburn, then Deputy Director of USIA, along with Jim Halsema visited during the time of Ambassador Ray Hare. Can you tell what happened on that occasion?

WEATHERSBY: The trouble was that we in Cairo, and as far as I know the U.S. Government, had not been kept advised of the British, French, and Israeli planning of the Suez War. By the time Abbott and Jim landed, Cairo was under attack from the air. I escorted Abbott and Jim into Ambassador Hare's office, and the Ambassador welcomed them but immediately added: "Don't take your hats off! We'll have to get you on a plane right away if we can get you out at all." We did get them on what I think was the last flight out.

STEPHEN PATTERSON BELCHER
Deputy Films Officer
Cairo (1952-1957)

Stephen Patterson Belcher was born in 1916. He worked for the Civil Affairs Division of the Army and then the State Department before USIS was created. His assignments abroad included Cairo, Lagos, Paris, and Dar es Salaam. He was interviewed by Jack O'Brien in 1988.

BELCHER: Well, yes, there was a vacancy for a Films Officer in Sri Lanka, or was it Ceylon then? There was a film officer there who didn't drink and the post found this quite a trial. I was asked if I drank, and I said, "yes." I read a bit about it, and it sounded marvelous. However, the Films Officer had some second thoughts and decided he'd drink, after all. There were openings in Japan or Egypt and I opted for Egypt because I didn't want to be involved with mopping up after the Army in Japan. Egypt sounded challenging so we went in 1952. I was to be Assistant Films Officer. There were funds to produce some films in Cairo, using an Egyptian director, cameraman and so forth, and I was to supervise the productions.

My wife was pregnant and I will say the Agency (or more properly, State) was very understanding about that. There was a Films Officer Conference on Cyprus and we spent a week there on our way out. The Films Section had three Americans in it at that time. Blake Cochran as Films Officer, myself and a technician.

Q: What year was that?

BELCHER: 1952 to 1957. With one home leave in between. Two sons born the first tour. Had a ball! Loved it! The first PAO was Bob Payne, rough but a wonderful trainer! The second PAO, who had been the Information Officer, was Bill Weathersby. I have the highest praise for Bill, who was here for supper night before last and is still one of the best.

But the Film program wound down and there was no real need for the Technician or me. So I became Exhibits, and then Publications Office, and wound up with Book Translations. And sometimes I was Acting BPAO because of my familiarity with Cairo.

Early on, the most enlightening aspect was working under Jefferson Caffery, about the last of the old line, 19th century Ambassadors who did things properly: traveled with his own wine cellar and servants, always dressed for dinner!

Another education was the first Suez Crisis. A series of problems had arisen between the United States and Egypt. Mr. Caffery had ushered King Farouk out. Naguib came in and then Nasser. Washington decided to replace Caffery with a young general, blue-eyed Henry Byroade, on first assignment for the Department. They thought Generals Byroade and Nasser would have lots in common and relations would hum smoothly. But within hours of his arrival almost, Nasser signed the Aswan Dam agreement with Russia and Byroade had absolutely no relationship whatsoever with Nasser. There was eclipse of our relations with Egypt which moved closer to Moscow. Byroade had nothing to do; didn't have a clue how to run an Embassy. It was his first tour abroad.

Ambassador Byroade had left by the time of the first Suez Crisis and Ambassador Raymond Hare came who knew what to do even if relations were bad with Egypt. Also, I experienced the Department's handling of an evacuation and will say they did a beautiful job! Took care of the dependents generously. It was an interesting experience, being bombed by the combined British, French and Israeli forces. The British could not have been more gentlemanly about it. I was assigned other functions beside my normal USIS operations, like manning a radio up in the Embassy top floor from midnight to 4:00 a.m. or something, and I would get word that the British were going to drop two bombs at such and such a point and to get the people out of the way, please, south of Cairo, in Helwan, or wherever. They were most decent!

Here I had the chance to observe something about human nature that I'd noted during the war during air raids. Some people are liable to panic, others are calm and roll with the punches. We had a very good program going! Hard, interesting work! But the military attaché wanted to fill our file cabinets with ammo and have weapons handy, and all kinds of jazz like that. Terrifying!

Luckily, Bill Weathersby and Ambassador Hare were balanced and cool and kept the parties under control. There were those, I think, in the Pentagon who wanted the Navy to steam up the Nile and blast Nasser off the map!

As far as what USIS was doing, President Eisenhower came up with what was called "The Eisenhower Plan," for peace in the Middle East. We were to try to get this known around the country. But at this time the Russians were the chief advisors and Nasser had absolute control of the press, radio, all the media! There was a primary school right behind USIS and all day long its loudspeakers carried the state radio news of the glorious Egyptian victories over all the weight of the imperialists and colonialists and Zionists! Endless Big Lie, over and over, to grind it in to the exclusion of any other news. For us, there seemed to be plenty of money and we could try anything to overcome this hurdle. We had "The Plan" printed up as a pamphlet in the USIS print shop and managed to get a contract for a front page ad in one of the government newspapers for every day of the week. Great! It got the word out that USIS was offering "The Plan" free and we had hordes coming to the USIS gate to get their free copy. There were businessmen who would send their office boys for not one but ten copies, or twenty. We were happy to oblige. We discovered that down town, it was being sold so we thought, why not sell it ourselves. We engaged some urchins to peddle it although we were giving it away free. The urchins pocketed the profits.

We were also able to get some slides in movie theaters, advertising our give-away, and paid for big billboard ads on the Midan Al Goummariah and other major intersections. "Get your copy of the 'Eisenhower Plan' free from USIS!" At night, the Russians or somebody would slosh great buckets of paint up across these ads. The next morning, I'd have to go down to the contractor and say our ad has been disfigured a bit, would you please clean it up. So for our contract week, those ads were up. This was creative USIS work. It was fun! Bill Weathersby was a great person to work with on things like this.

Then there were book translations to get out. Remember the old Arthur Goodfriend pictorial standby, "What is Communism?" We decided to do that in Arabic and we hired the artists and the printers who worked for the Russians, to do the cover and layout and artwork for our version. In fact, it was a hideous book! God-awful! But it looked like another Russian publication, and sold very well! Cropped up at all their outlets.

Then another project I had was to do a book on the Hungarian Revolt which had been going on concurrently with the First Suez Crisis. The Egyptians had not heard anything at all about Hungary, they were so preoccupied with their own war with the combined forces of Britain, France and Israel. So I spent about a week at home, reading all the U.N. testimony about the Hungarian Uprising, plus some quick books which had come out by LIFE, and one or two others, to put together a book just for the Egyptian reader of what had gone on which they knew nothing about at all. I developed quite a bit of admiration for Secretary Dulles for his handling of the U.N. discussions at that time. It was fascinating! I was proud!

Cairo was the center for the book publishing industry for the entire Arab world. We discovered that some of our books were cropping up in Mecca, Saudi Arabia. The pilgrims would buy copies and take them off to Arabic-speaking and Moslem countries around the world. At this

time, USIA also created Franklin Publications to do book translations of a clean, worthwhile, educationally-justified sort.

Q: Let's identify Franklin, shall we? What it was and particularly what role USIS played.

BELCHER: It was particularly Datus Smith, recruited Princeton University Press. I think Cairo's was the first overseas operation that he headed. He had been working in Iran and India before, translating American books and publishing them abroad, using name scholars. It turned out later that CIA money was behind this.

Datus came to Cairo and started an operation. Bob Payne's cultural advisor, Hassan El Aroussy, was taken out of USIS and put in an office down town to head this operation, and my wife became his secretary. So, while I was doing the USIS book translations, some of which were printed in the USIS print shop, many contracted out, hard-headed, meaty, propaganda books, Franklin Publications was more academic. It made for quite a lively Book Translation program!

PARKER T. HART
Director of Near Eastern Affairs
Washington, DC (1952-1955)

Deputy Chief of Mission
Cairo (1955-1958)

Ambassador Parker T. Hart was born in Massachusetts in 1928. He graduated from Dartmouth College in 1933, and received an M.A. from Harvard University in 1935. His career included positions in Austria, Brazil, Egypt, Kuwait, Lebanon, Saudi Arabia, Syria, Turkey, Yemen, and Washington, DC. Ambassador Hart was interviewed by William Crawford in 1989.

Q: Let's turn to that period following your return from Dhahran in 1951, your attendance at the National War College, and then your taking over as Director of Near Eastern Affairs in 1952. What were the principal issues and personalities during that period?

HART: It was the end of the Truman Administration. I had some contact with Secretary Acheson on issues related to the Middle East. What brought things rather strongly to his attention was the revolution in Egypt of July 23, 1952. I came in one day afterwards to take over my desk. The relationship with Egypt was one to which Acheson, perhaps reluctantly, had to pay a lot of attention. He was not very fond of the Middle East as an area. He was very much a European strategist with a profound interest in Europe and not a very great interest in peripheral areas, but this was something he couldn't overlook. He faced up to it rather well. There wasn't anything he could do about Israel and Palestine as he's written in his own memoirs. In Egypt he tried to see if he couldn't moderate the Arab-American confrontation. He was encouraged to, after the revolution had been in power in Egypt for a number of days and its leaders had proclaimed a number of reforms that were badly needed. Acheson made a public statement at a press

conference to the effect that we were pleased with the way things were working out in post-revolutionary Egypt. Jefferson Caffery was ambassador there and he was an old timer who had a most distinguished and unusual record of tenure and longevity in the Foreign Service. Caffery was very business-like and very taciturn. His messages were very, very brief, indeed. He was accustomed to high level attention at the Department and judged that his comments needed no elaboration. He held the attention of Acheson partly because he was succinct, pungent and quickly readable..

Q: As I recall, there was one wonderful [comment] when the revolution occurred. It was a telegram that began or ended, "Here we go gathering nuts in May." In other words, we are in a wholly new ball game.

HART: Yes. At any rate, I remember another one in which he spoke about one of the royal family, an elderly member, a prince, coming in to see him after the revolution and complaining bitterly. He said, "I listened to him and I told him the trouble was that he talked to much." Period. End of message. [Laughter]

I think Acheson rather liked that -- he got a lot of wordy messages, otherwise. Acheson did listen to competent explanations about what was going on in Egypt. I remember one of the most competent presentations was by Wells Stabler, who was Egyptian desk officer working with me at the time. He presented a brilliant exposition to Acheson of the situation in Egypt on one occasion and it was long and detailed. Acheson was prepared to listen and he listened for an hour and a half with utmost interest and almost total silence. Several times he was going to get up and call Truman. Each time Wells would say, "Don't, please, I haven't finished yet. I want to get more to you before you do that."

Acheson sat down and listened very patiently. He was not noted as being a patient man, but he was very patient in listening to a well-reasoned and informative presentation. It was an interesting period those first few months in NE for lots of reasons. Of course, the question of military aid to the new Cairo regime, Israel's objections to it, because the revolutionaries hadn't come forward and negotiated a peace, American Jews didn't want to arm Egypt. Egypt was the great potential antagonist and had been already in the war of independence, so to speak. Henry Byroade was the Assistant Secretary and he hadn't been on the job very long before I arrived to direct the Near East Office under him. He took hold with a very energetic program and was carried over into the Republican administration when it came into power. I would say that a great deal of our time in those years was spent on Egypt and Anglo-Egyptian problems -- the question of evacuating the British bases at Suez, getting a long-term base agreement out of the Egyptians, a stand-by facility in the Suez Canal complex. The British had spent half a million pounds sterling on infrastructure which was a lot of money in those days.

Q: Was this at Isma'iliya?

HART: This was at Isma'iliya and in the canal area as a whole. There were railroads, warehouses, repair shops, barracks, all kinds of infrastructure that was very valuable. I think the canal zone area was set up to accommodate 80,000 troops. The British were going to move those troops out after a long-term base agreement was signed. They'd already moved some. The

negotiations were difficult and Nasser would periodically launch guerrilla attacks against the British and that would make them angry and they wouldn't negotiate for months. Then they'd come back and resume slowly. It was a very interesting and touchy period in American-Egyptian relations and American-British relations. Byroade was on the go a good deal of the time, between Washington and London, and he made two extensive reconnaissance trips to the whole Middle East. Dulles also went to the Middle East in early 1953 and Byroade was one of his party. We all worked hard to prepare the documentation for that trip. We even wrote every greeting, departure, or ceremonial speech that Dulles would be called upon to deliver at every point on the way in every country. He covered the stops very thoroughly. We also drafted in advance of his trip a statement about U.S.-Middle East policy which he could go over and decide how much he wanted to use on his return. He carried with him at least a locker-trunk full of documents which, of course, he couldn't fully devour on the trip even though he read a lot, but he had Doug MacArthur there to read with him as well as other aides. We really loaded him with materials for what were going to be some long flights.

Q: When did the trip take place?

HART: The trip took place in May of 1953 and a key visit, of course, was Egypt. Basically, he was rather pleased with the people he met there, with Nasser and his team, with the president whom later Nasser deposed who was the front man, General Mohammed Naguib. Then he went over to Syria where he was very interested in Adib Shishakli, the military dictator with pro-Western leanings.

The image of these two leaders at the time, was that they were modernizers, enemies of corruption, and enemies of special privilege of families who contributed very little to the situation in either country and who formed a kind of an elite crust on a restive population. He tried to show friendliness toward Nasser and his group and tried to pull him into the outward fringe of the NATO alliance system. What he really wanted to do was to get Syria and Egypt on board in some auxiliary fashion, but not as full members of NATO. He thought he could make some progress. He didn't realize what he was dealing with. Shishakli's position was fragile. He was out of power shortly after Dulles' visit and Nasser was using that visit to see how much he could get. He had no intention of becoming an appendage of the United States or of NATO, but saw advantages in obtaining military hardware.

It was a useful exploratory trip and Dulles worked at it very earnestly and acquired a lot of information that was new. He went all the way to India and he had arguments with Nehru. Nehru was, of course, a non-aligned personality and Dulles tried the high moral ground that this was unsustainable in the face of the brutal regime of the Soviet Union.

His interest in the Arab-Israel question was very high. When he came back he made a very statesman-like speech on his entire trip but particularly on that subject. We had a new look in the Eisenhower Administration which was perhaps the only administration that I can recall that had a truly independent foreign policy on the Arab-Israel issue. It was put to the test a number of times, as you know. It was a good period to be in Washington and I found it extremely stimulating.

Then Jane and I went to Egypt where I was to be Byroade's deputy. He wasn't there a full tour.

Q: One more question about the Egyptian relationship in the early days after the revolution. It seems that a lot of people forget that we really were very sympathetic towards a lot of the things we felt Nasser was trying to do in the early days. At some point, that whole intelligence relationship with Egypt -- CIA assistance in helping the Egyptians build an intelligence establishment, etc. -- this is all pre-Aswân Dam and before things soured. Have I got the flavor of that right? Weren't we really quite hopeful about the direction that the Nasser regime was taking?

HART: Yes, we were. Dulles set the tone and Kennedy followed through. The souring, however, took place during Dulles' time. The attempt to establish and maintain a decent relationship with Egypt was picked up by Kennedy.

Going back to the Dulles period, I think American diplomacy with Byroade doing most of the real hard work on it with strong staff support, did assist in getting an Anglo-Egyptian agreement in 1956.

Q: This was Byroade as Assistant Secretary of State and before he became Ambassador.

HART: Yes. There was quite an effort to extend economic assistance to Egypt and also a sincere effort to provide military assistance to Nasser's Egypt. Why? Well I think everybody felt that the monarchy of Farouk had worn itself out completely for the Egyptians and it really hadn't accomplished very much. Farouk was not a successful ruler at all. He had given a bad image to Egypt. It was hoped that the new regime would open the way for a reformed democratic system. Well it didn't, but reforms did take place. One of the things they did was to spend what money they had more effectively on education, on village water, on improved facilities for upper Egypt and the lower Delta which were in deplorable shape. The country was an unhealthy place to live. Foreigners can testify to that. I had amoebic dysentery there. My wife had two or three different kinds of dysentery. Trachoma was rampant, flies were terrible and they were all over the place in your food. You didn't know where they were before but you could figure out where they probably were. It was a country that needed a lot of work.

The Army consisted of young, dedicated fellows who were teetotalers and very earnest. They looked rather admirable. They kept up their physical appearance and were lean, hard, and athletic as contrasted to the potbellied Egyptian generals of the late Farouk regime. The trouble, as time went on, centered on two things. One was that the United States could not produce in Egypt an instant transformation. It took time. Nasser didn't figure he had the time. He ran scared on time always. He also developed a broad ambition for international leadership in the political field, and he neglected domestic concerns in certain important respects in favor of adventurism in the international-Arab sphere.

What really turned Dulles off was that Nasser adopted what he called "positive neutralism" which was really playing off the Soviet Union against the United States and vice-versa. He

permitted Anwar Sadat, who was one of his most loyal followers in the revolutionary command council, to be the spokesman for some very-anti American statements which were gratuitous and which annoyed Dulles very much. They seemed designed to try to please the Soviet Union or else just to prove to the Egyptian public that Nasser was not going to be anybody's patsy. He carried them pretty far and that was certainly one of the factors which led Dulles to withdraw support for the High Aswân Dam.

Q: By this time you were in Cairo as Deputy Chief of Mission.

HART: Yes. My DCM job lasted from August 1955 to March 1958. Back in Washington we also had another fascinating problem which was the beginning of the organization Dulles called the Northern Tier.

Here I would like to set my view of the record straight that the Baghdad Pact was not an American creation as some scholars have averred.

The Baghdad Pact was really the creation of the leader of Iraq, Nuri Said, and Adnan Menderes of Turkey. Each had a motivation and saw advantages in such an alliance, linked to the U.S. Nuri Said spoke Turkish impeccably. He had been an Ottoman army officer. Adnan Menderes was very keen to get as much aid as he could from the United States and to transform Turkey while showing great loyalty to American connection. As far as the area was concerned around him and around Turkey, Turkey had shown no interest in the Arab world for a long time -- ever since World War I, really. There is a good deal of anti-Arab feeling in Turkey, a feeling that the Arabs had turned traitor against their Muslim Ottoman leaders. In the age-old fraternity of Islam, it wasn't traditionally a question of nationalism. It was a question of whether you stayed with your co-religionists. The Turks were long the defenders of Islam. Muslims were brothers in the Ummah. Arab nationalism of the turn of the 20th century went against that. It was exploited by the British and by Arabs leaders against Turkey in World War I, and the Turks had never since quite forgiven the Arabs for this. This was a first adventure into Arab politics that Menderes made and he saw advantages in it because he saw the United States building a cordon sanitaire against the USSR and he thought the Pact was a good idea. Turkey was, after all, right on the front line, and he could see a lot of aid coming his way. Turks had participated in the Korean War with great distinction.

Nuri Said's proposals were very fertile in Turkey. Menderes and he proceeded from there. Pakistan came on board because Pakistan was a fragment of India and very worried about being reabsorbed by force into India. They knew that Nehru was very hostile to their breakaway. That's a long story that you know. Pakistan had a very well-trained army. Byroade made a visit out there and said he'd never seen a better parade-ground presentation and better looking soldiers. He said, "I'm a West Pointer and I've never seen anything better than this anywhere

The United States certainly did nothing to discourage the Pact and perhaps said quite a few words to encourage it. The genesis of the movement was not in the State Department, however, nor in the Pentagon. The British Counselor of Embassy, Harold Beeley, came around to see us one day and said to Jack Jernegan, Deputy Assistant Secretary at the time, "We're thinking of joining the Baghdad Pact. Are you going to do it?"

Jack said, "No. We will not do it. We like the idea but we don't think we should be a member."

Obviously, if the U.S. were a member of the Baghdad Pact, the pressure would be enormous to form a balancing alliance with Israel. We didn't want to get into that situation. Then Harold Beeley said, "Do you see any object to our joining it?"

Jack said, "No, not at all. Fine."

That was our position, and they joined. Then, of course, the revolution occurred in 1958 in Iraq which upset all these arrangements. Before that happened, the reaction in Cairo was furious. I was still in Washington at the time since this was 1954. The revolutionary regime in Egypt thought that on his 1953 visit Dulles had in effect said, "Egypt is the natural leader of the Arab world and we'll support you in that leadership position."

In fact, Dulles gave the Egyptian revolutionary government every reason to think that that's exactly what he'd meant. It was very close to those words. He got a little too euphoric about the possibilities of a useful relationship between the United States and Egypt. So when this Baghdad Pact episode became apparent that it was going through, the Revolutionary Command Council was absolutely furious with the United States.

Q: Did it also seem as aimed against Egypt?

HART: Yes. They claimed it was aimed against them because they saw us as choosing Egypt's rival Iraq and giving it the leadership position. We said, "No such intention, and not our initiative."

They said, "Now don't try to tell us that. We don't believe you. It's your work."

They were absolutely red-eyed about it. As far as the British were concerned, the Egyptians didn't expect very much. They had had plenty of problems with the British anyway, but they were angry with us. So a cloud came over our American-Egyptian relationships at the time which was never dissipated, in my opinion, under Nasser. They went to work immediately to make sure that no other Arab country could join the Pact and they did their best to undermine Nuri Said's regime in Iraq. That's another long and complicated story. We saw a lot of it.

During the time that I was there until I went to Egypt in 1955, the U.S. relationship continued, although no longer cordial. It continued because the Egyptians needed our economic aid upon the completion of the negotiations with Great Britain and the formation of a stand-by base agreement between Egypt and Great Britain. We had promised that once that agreement was initialed, we would grant them grant economic aid and also grant military aid. They accepted at once the grant economic aid which I think was around \$40 million, badly needed -- railroad engines, all sorts of infrastructure would be improved as a result.

The military assistance was going to be \$20 million. That sounds like a small figure these days, but in those times it was really important and it would have made a big difference in the

modernization of an Egyptian Army, 50% of whose equipment was obsolete or unusable. Only a fragment of the Egyptian forces could operate. In spite of a great deal of Israeli lobbying, the Dulles government -- the State Department -- was able to go ahead and make this commitment and it made the offer.

In making that offer, the only conditions were that Egypt not transfer the materiel without our consent to somebody else.

Q: What year are we up to now?

HART: This was the summer of 1954 after the Baghdad Pact. Egypt was not to use this materiel for offensive purposes, only for self-defense. Also, an American military team would deliver the weaponry and see to it that it is integrated into the proper units and then the team would go back home.

Nasser latched onto those conditions as denigrating Egyptian sovereignty. It was pointed out to him that Farouk had already agreed to the same provisos covering small weapons (like police weaponry) in a 1951 U.S.-Egyptian agreement. Egypt was therefore already committed to similar principles, as were 35 other countries which had accepted U.S. military grant assistance. You couldn't very well expect to make Egypt an exception, and then have potential trouble with 35 other countries. Nasser clung to his objections.

We sent a special secret mission out. Al Gerhardt, a colonel in the U.S. Army, whom I had known as a student colleague in the National War College class of 1952, led the team. Bill Eveland was another member. I don't know whether there was a third person. There may have been. They made a very quiet, unpublicized trip. They talked to Nasser and tried to explain all of this in a series of sessions and he just wouldn't budge. We came to the conclusion, therefore, that he may have had other reasons for wanting to turn it down but he would have demanded that there would be no conditions whatsoever -- just hand it over. We told him, "Look. The military team that is supposed to deliver these goods can come in civilian clothes and they'll leave as soon as the materiel are integrated into your forces."

Even that wouldn't budge him. So that mission failed and there was no military assistance agreement. The result was that the Egyptians held to the thesis thereafter that we had refused them military aid. For years Nasser repeated again and again that we would give military aid to others but wouldn't give it to Egypt, that we were trying to keep Egypt weak. A lot of Arabs chose to believe Nasser.

By the time I got to Egypt in the mid-summer of 1955 with Jane and our two little girls, my job was to be deputy to Byroade. We had a considerable cloud on the horizon over the question of military aid because the rumors had already started that Nasser could become a leading member of the non-aligned movement as a result of his early 1955 participation in the Bandung Conference. Great attention had been given to Nasser at Bandung by such famous people as Nehru, Tito, U Nu of Burma and others. It turned his head. He was convinced that Egypt should play a key role with Nehru and Tito as a central non-aligned power, as well as the leader of the Arab world, the Islamic world and the African world. The rumors began that he was going to

apply this by going to the Soviets now for weapons, and of course he did. The Soviets apparently preferred to have Nasser deal with the Czechs, but it was really Soviet handling.

This crisis in U.S.-Egyptian relations arose within a few weeks of my arrival. Before it finally came to a head, Nasser told Byroade that he needed about \$21 million worth of equipment very badly, and if he could get it from the United States, that would be fine. He didn't have any money to pay for it. A study of our aid program revealed a loophole, according to a visiting economic expert from the State Department L. Wade Latham. Latham sat in the embassy and stated that he believed if we told Washington thus and so, according to the regulations and executive orders, etc., we could have a kind of long-term loan.

He drafted a telegram, using helpful technical references and we sent it off. We got a very curt reply from Dulles saying in effect, "Military aid to Egypt only if they agree on a peace with Israel."

That was just so far out and so far from any immediate prospect of implementation that it represented a turndown based on other, unstated considerations. It killed the last prospect of such an agreement. So then, of course, the Czech agreement followed immediately. We realized it had been under preparation for some time and Nasser was playing with us. In a way you couldn't blame him. We knew the condition of the Egyptian Army. We knew that his position with the Army was important. We believed he'd not be a threat to Israel in the early foreseeable future, and indeed showed no interest in the Israel relationship at this point. This was near summer of 1955.

Things got steadily worse in our relations during the course of the period of 1955 to 1956, but I should say that when the Czech agreement was announced, Dulles got a little bit frantic. He sent to Cairo George V. Allen who was the new Assistant Secretary for Near East and South Asia. He sent him with nothing more than a letter to try to dissuade Nasser or better stated, to try to persuade the Egyptians to backtrack on their just concluded agreement with the Czechs. Of course, we knew from the moment this was announced in a message from Washington, that the Allen visit was going to be one of those frantic things that wouldn't do us any credit and would certainly fail. Before he could even get there, George was being bombarded by demonstrations in the streets of Cairo shouting, "Egypt will not knuckle under to the United States. We have our own defense to be concerned with and our own interests and we're not going to take orders from you, George Allen."

George Allen arrived in a most unfavorable atmosphere with this letter. He came to me and he said, "I don't know why Dulles did this. He gave us no time to argue the question at all. He gave us no opportunity to take exception to this step. He just told me to pack my bag and get out there right now and he gave me this letter to see what I could do."

This was Dulles at his worse. I would say, he was at his most impulsive. There are a lot of things that I'd stand up for in Dulles' policy in the Middle East, but his impulsiveness didn't do any good. It did a lot of harm. It fed right into Nasser's desire for an image of one who can stand up to the big powers -- tell them off. Did he stand up to the Soviets? Well he did, in a way, because later on Khrushchev objected to Nasser's trying and imprisoning members of the Communist

Party in Egypt. There were three Communist Parties. I'm not sure which one Moscow favored, but we learned that they'd all been tried and locked up. Nasser wasn't out to have any competition from these people amid his source of power. Khrushchev objected and he just told Khrushchev off. In a way he was playing the game according to his rules, trying to get both of them to recognize that he was boss not only in his own house, but in the Arab world. As a whole, he didn't want the Soviets to gain any power, especially in Syria. He wanted Soviet military aid and he got it. He knew they would have a big interest. This would be their first inroads into the area in competition with the United States. They could gain a lot and he was going to give them that as a bait. As far as we were concerned, the fact they were there should arouse the Americans to try to stay in the picture and they could handle the economic front. He knew that he would probably get more money out of us than he would out of the Soviets in that respect. They'd give him equipment but not a lot of money.

That was the atmosphere that we found. Of course, the High Dam is quite a complex story. I don't know whether you want me to get into that.

Q: As much as you choose.

HART: I'll try to make it short. The United States, with an engineering organization called Alexander Gibb, Boston, had drawn up plans long before this for the feasibility of a High Dam on the Nile above the old Aswân Dam. We had a kind of inroad there to start with. The British were very interested and, of course, we were sensitive to their sensitivity about taking over jobs and things that the British would normally have had in the past due to their preferred position in Egypt which was fading but it was still there in their minds. They wanted to make sure that they didn't lose good contracts.

It was an American-British proposition presented to the World Bank. Eugene Black was the head of the bank. During this period we are discussing, which was late 1954 to early 1955, this thing was ripening up. It was known that the Egyptians who had come out of World War II with a wonderful foreign exchange position of some £400 million -- good, hard, solid Egyptian pounds of those days, equivalent to British pounds, had really -- through the spend thrift vagaries of Farouk and the revolution -- lost practically all of it. They were down flat.

The question was how to finance this dam. Here I'll have to do the best I can to resurrect my figures. It was thought that the dam would cost about £800 million to build, out of which about £400 million would have to come in the form of foreign exchange -- hard currency -- to pay for equipment, engineering skills, practically everything except the concrete and the hard labor which would be Egyptian. Black and the Egyptians were in discussion, and after the revolution, of course, the head of all economic concerns in Egypt at the time was Abdul Mon'eim al Qaysuni, who was a Western educated Egyptian, very sophisticated and a good economist.

Finally, Nasser was given a proposition by the bank in which the bank said, "This foreign exchange will have to be provided partially by grant and partially by loan. The bank is willing to make the loan provided approximately 50% would be covered by grants from guaranteed non-bank sources."

So you would divide \$400 million into two parts and half would be grant. A major element of the grant portion of the \$200 million would come from the United States, with a minor portion from Great Britain -- as I recall it, 85% would be U.S. and 15% would be British. To start the program off, the United States was prepared to grant at once about \$56 million and the British some fraction of their 15% -- I can't remember how much. Both U.S. and U.K. would require, for the purposes of making these grants and to cover their own parliamentary situation and practices, an undertaking by Egypt to not only use this money in the way it was supposed to be used but to make certain reforms in fiscal management in allocation of financial resources. The fiscal situation in Egypt was very confused. This meant some reforms concerning which the bank had held discussions with Egypt. Qaysuni was sympathetic with this objective.

Also -- and this was a very key point -- the American loan would be based upon a prior agreement in principle between the Sudan and Egypt with respect to the amount of Nile water to be stored by Egypt and how much was to be used by Egypt and how much would be reserved by the Sudan. In other words, a general international waters agreement would be required.

Nasser didn't like the Sudanese aspect at all. At this particular juncture you have to remember that this was late 1955. Sudan was still technically an Egyptian-British condominium, but actually was under British control. The Egyptian under Nasser inherited a position on the Sudan which had been set by King Farouk: that the Sudan was really a part of Egypt and should be considered as poised to rejoin Egypt. Farouk, in fact, had proclaimed himself in October 1951 -- before the revolution of July 1952 -- King of Egypt and the Sudan. He did this while rejecting the Middle East Defense Agreement which the U.S. had proposed to Farouk's Egypt, an agreement which would have brought Egypt into an association with, but not part of, NATO.

Nasser was saddled with this policy question and he had already made his decision. He was going to do everything he could to get the Sudan to join Egypt. The Sudanese unionist party of Ismail al Azhari, Nasser hoped would be the vehicle to accomplish this union as soon as the Sudan became independent of the British. Nasser had a member of the revolutionary command council (Zulfikar Ali Sabry) posted in the Sudan whom I met there in early 1954. He was doing everything he could in the framework of Sudanese politics to prepare the ground for Ismail al Azhari to win the first Sudan-wide election and to unite the two countries.

He miscalculated. Some of us knew he would anyway because I'd gone up there in the spring, in March, and I'd met -- thanks to a very good political officer we had there by the name of Joe Sweeney -- and had talked with Ismail al Azhari and I asked, "Are you for organic union with Egypt?"

He said, "No."

"No? What does it mean then?"

"Well it means simply we want closer relations with Egypt. We want very good, close relationships with Egypt, but we're not going to be a part of Egypt."

They either didn't believe him in Cairo or else al-Azhari told them a different story than he told

me. Perhaps they discounted it. Zulfikar Ali Sabry worked very hard and did a lot of maneuvering in the Sudanese political sphere which was trying to pull itself together to face self-determination and independence which finally came in early 1956.

Nasser didn't like this idea of tying up Egypt's commitments on water through the British. He'd be in a much stronger position if the Sudan were a part of Egypt. He could then dictate how the water problem should be handled.

Eugene Black came out to Cairo and I was in charge at the embassy. Byroade was on consultation in Washington. Byroade phoned in to say that Gene Black was coming and hadn't gotten an invitation yet from Nasser and would I try to arrange that this invitation be quickly issued to him. For some reason or other it hadn't come through, although Qaysuni wanted him to come. It obviously was stuck with Nasser. Byroade's call came in the evening fairly late. I knew that first I should go to Mahmud Fawzi, the Foreign Minister, and I phoned him. He said that he couldn't disturb the president at that time of night. I said this was very urgent. It didn't matter. He couldn't disturb him. We'd have to wait until tomorrow.

I said, "Thanks very much."

I secured an embassy driver and car and said, "We're going to find Nasser. I don't know whether he might be at the Gazira Rowing Club or might be home. Let's go to the rowing club first."

We went there and they said, "No. He's not here. He's at home."

We turned around and went out to Menshiat al-Bikri and there the lights were on atop the high wall around his house, so we knew that he was awake. We punched a bell and a large man came. We said, "Here's the American Chargé d'Affaires who would like to see His Excellency urgently. Is he awake? Can we see him?"

He said, "Yes. He's awake. Come on in."

Just like that -- very simple. The gate opened and soon I was in a small waiting room. The guard went ahead to announce that I was there. Nasser arrived shortly in a sweater and open-neck shirt. In answer to my apology for disturbing him, he said, "No. I don't go to sleep as early as this. Don't apologize. I'm around until at least one o'clock. I listen to the radio and read the press. I read especially the British press, such as The Spectator."

He mentioned other media. He said he wanted to know what people were saying about Egypt and him in other parts of the world, especially in the English-speaking areas. He knew English well from military service.

I told him that Eugene Black had not received the invitation he required to come to Egypt to discuss the High Dam.

He said, "I sent it today. It's done."

I said, "Good. It just hadn't reached him when I was called on the phone so I'll go back and tell Ambassador Byroade that it is all right for Black to come."

"Oh, yes. Sure. That's fine."

We had a chat for about ten minutes on various things, mostly related to his personal routine. Then I left and sent word to Byroade.

Gene Black came to see me at the embassy after talking with Nasser. Hank Byroade was still in Washington. Black said, "I've talked to Qaysuni and he thinks it's all right, but Nasser is red-lining a lot of conditions that the United States has set down as prerequisites for actual disbursement. I've taken the position that all this is part of a Bank package offer. Nasser doesn't even have to reply to these conditions set by the United States. They are U.S. statements, not calling for direct answer. He doesn't even have to make a comment on them. All he has to do is say, 'I accept the Bank's proposition,' but he won't buy it."

Black told me the story in two installments. I knew what the problem was going to be before he went in to see Nasser. When he came out he told the waiting press (as agreed with Nasser): "The situation is as follows. We have a substantial agreement, but there are some details that need to be worked out."

Black gave me the text penciled and lined by Nasser, the things that Nasser would not accept. One blue-lined item concerned a prior agreement with the Sudan. This was very key. The other was the insistence on reform of his economic priorities in the various ministries to make sure that adequate money would be available throughout the project and that it was spent as it was supposed to.

Nasser had said, "This is a denigration of Egypt. I won't go for that." Black told Nasser, "Look, we've got an agreement on everything else. Shall I say we have an agreement in general subject to a few little things?" and he said, "Yes. That's all right."

The press descended on Black as he came out of the office and he told them just that, but wouldn't go into details. He went off thinking that there was a better than 50-50 chance for the project, something like an 85% chance perhaps, and he left. I wired, of course, the details of what he'd told me. It had a negative effect in Washington. There was silence for quite a while.

Sadat stood up and made one of his statements hostile toward the United States aid program. He liked to tee-off on our aid program to Egypt. He had already launched one broadside about our sending over a lot of poultry that turned out to have a respiratory disease. He said, "Instead of sending us weapons, they give us sick chickens." [Laughter]

This made good headlines in the Egyptian press, and Ros al-Yussuf and other publications had a good time with that, with caricatures. This time he went after us on something else -- I don't know what it was. He was pretty abusive. That turned people off in Washington. They had reports that Nasser's people were agitating against us in Libya concerning Wheelus Field. The atmosphere was darkening all the time. Dulles did another impulsive thing. Without consulting

Bob Murphy, his right-hand man who was Deputy Under Secretary for Political Affairs and who had enjoyed the fullest confidence of the White House, he decided that he was going to withdraw from the high-dam proposal. Ahmed Hussein, the ambassador of Egypt to the U.S., was in Egypt at this time. He returned with Nasser's modified stance on the High Dam package, -- what Nasser objected to -- but stating that agreement with Nasser was at hand and affirming that matters of only secondary importance were outstanding. When he got off the plane at National Airport, he was met by the eager press which had been following these negotiations as closely as they could. They asked, "What have you brought back with regard to the High Dam?"

He said, in effect "I brought back the Egyptian agreement. It's now up to the U.S. Government to go ahead. There are just a few little things we have to discuss. In general, it's agreed."

Thus Ambassador Hussein gave an interview to the press before he had talked with Dulles. Dulles didn't like that, either. Hussein then asked to see Dulles. Dulles had his own press notice already prepared. He handed the draft to Bob Murphy for an immediate go-over, and it was the first indication that Bob Murphy had -- and he told me this himself, afterwards -- that Dulles was going to turn down the American participation in the High Dam. He was going to withdraw. "Please edit this."

So Bob Murphy called in NEA officers and others and they edited this draft in an effort to take some of the sting out of it. It had plenty of sting, regardless of what you said. In effect, what he did was to hear Ahmed Hussein and then hand him this piece of paper and say, "This is what our position is -- sometime in the future maybe, but not now."

Of course, Ahmed Hussein was crushed. He had been very strong for the American relationship. All his time as ambassador he worked very hard for it. He used to come in and argue with us like blazes about Israel and all those things, but basically you could see that he was hurt. He believed in the American relationship very fully. His wife had been a student at the American Girls' College in Cairo -- she speaks impeccable English, is very Western in her outlook, very much a women's libber -- birth control, etc. She is a very nice woman, comes from a very fine Egyptian family, the Shoukrys.

Nasser had quality representation in the U.S., but he wasn't using it. Ahmed Hussein told me many years later that, when he came in to say farewell to Nasser before going back with his instruction about the High Dam and as he was walking out the door Nasser said, "By the way, Ahmed, don't be surprised if we take over the Suez Canal."

Hussein said, "What!"

Nasser said, "Yes."

Then somebody burst in on Nasser and Ahmed never had a chance to follow up and obtain from Nasser any elucidation or chance to argue.

As you know, Dulles withdrew the Aswan Dam offer, explaining that the provisions that Nasser had objected to were ones that Dulles felt could not be overlooked. Within a matter of ten days

after the withdrawal, Nasser gave his speech in which he said, "We have now taken over that Suez Canal."

It was on July 23, the Revolution Day, and sealed instructions had already been issued. As Nasser spoke, they were triggered by one name that he used, Ferdinand de Lesseps. The use of that historic name gave the signal word to open the sealed instructions. They were to the armed forces to move right in and take over the canal.

It was a dramatic period. I heard one of Nasser's earlier speeches -- the one that foreshadowed the takeover. It was on July 19 and it was a dedication of new factory. I went over to listen to Nasser, and in that he excoriated the United States' withdrawal from financing the dam project as an insult to Egypt. He said, "We've got 22 million people in this country and we can build that dam with our bare hands."

Everybody cheered and clapped and thought it was great. It was about four days later that he gave his famous speech nationalizing the canal. You know the story from there on. Byroade was transferred. Ray Hare came in just in time for the Suez War.

Q: Why was Byroade transferred?

HART: His relationship with Dulles had soured badly. They were not really communicating. He was made ambassador to South Africa.

The end of October 1956 was the beginning of the Suez War with Israel and with France and Great Britain. That's a long story.

Q: Last time we talked about Dulles' withdrawal of U.S. promise of assistance in the construction of the Aswân Dam. Today you might deal with the things which led to Nasser's reactions to that and the event which led to the British-French-Israeli military action against Egypt in late 1957.

HART: As Ambassador Ahmed Hussein was leaving Nasser's office after getting his instructions from Nasser about accepting American help in the World Bank proposition for construction of the High Aswân Dam, Nasser said, "By the way, Ahmed, don't be surprised if you hear that we've taken over the Suez Canal."

Hussein froze and turned to protest to Nasser that this was going to be a profoundly shaking event, but someone else intervened at that point thinking that the meeting between the two was over and he never got a chance to get back Nasser's attention and make his warning comment. He had that in his worry list when he arrived in the United States. I told you the story about how the High Aswân Dam loan was subverted by withdrawal of the American assistance. I may have told you that shortly thereafter I attended a speech by Nasser at a site where he was inaugurating a new industrial plant. In that he said, "We will build this dam with our bare hands. We are 12 million people."

I remember him using that population figure which we thought was low. "We will build this with

our bare hands and we're not going to accept tutelage from other people about our economy and how it should be run. We'll build this dam ourselves."

This was wildly cheered by the Egyptians who were present. In other words, it threw the insult back in our faces. As he came out of that meeting, he grinned at me and held his hand out to shake my hand. I was standing in a line. I interpreted this to mean, "Don't get mad." [Laughter] But Washington did get mad, unfortunately.

In the period that followed after Nasser on July 23 proclaimed that the canal was now under the full control of the Egyptian Government, there were frantic efforts in Washington to try to prevent a war from starting. The State Department was very well aware of the violent reaction that Anthony Eden had displayed. We had a report by our Chargé d'Affaires in London, Aaron S. Brown -- the ambassador for some reason was not there -- that Anthony Eden had referred to Nasser as "a tin-hatted Hitler" or something similar. "He was not going to get away with this." Eden really had quite a fit, an intemperate reaction which worried everybody around him because it was feared he would do something very hasty. Washington didn't want to see a war in that area, especially in the cause of outworn Western imperialism.

Dulles frantically tried to develop something to calm the British down so they wouldn't choose the path of force. One step was to propose what he called, "a users' association," "users" being the important users of the canal, countries which had enough shipping going through to make its blockage or interruption a source of real economic concern. This "users' association" -- instructions were issued by Dulles to try to promote it with Australia, Great Britain, France, Italy, everybody who had substantial shipping. But it didn't add up to anything because it had no clout whatsoever. The threat of boycotting the canal was hollow. The Association had no means of stepping in to run the canal or to govern any part of its operation or insure free use. It had no police power.

There were missions that came out. I remember in particular a mission from Australian Prime Minister MacKenzie. I was there among others to see him in as head of an allied power. He conferred with Nasser. We had a report later from the Australian ambassador that he had gone in to see Nasser and had said he'd come to see him about the crisis. Nasser said, "What crisis? There's no crisis unless somebody else creates one."

He was a cool customer. MacKenzie found out right away that he really had nothing to say to Nasser that Nasser was interested in, and Nasser was totally immovable. The job was done. "We're running the canal. It's going to be well-run, an excellent operation. Why should anybody complain? Why should there be a crisis?"

Of course, this made Anthony Eden, if anything, more furious and he found kindred spirit in the current government of France at the time. Molet and Pinot -- Molet was Prime Minister and Pinot was Foreign Minister -- I may have them mixed up. We were aware of the fact that they and Eden were talking but that was about all. There was a great deal of nervousness in Washington which was not reflected in any particular nervousness in Cairo because the job had been done. The Egyptians had exploded with joy. They had received accolades from all over the Islamic and Third World. The post-imperial colonies or protectorates of Britain and France

around the world were all cheering, especially in the Far East such as in Indonesia who had just gotten rid of the Dutch. All these countries felt they had to side with Egypt's action.

Q: *When is this now?*

HART: This is the late summer of 1956. There was a great deal of watchfulness in Egypt. Henry Byroade, the ambassador, was relieved and offered the post of ambassador to South Africa sometime in the late summer of 1956. I was in charge for a while. Ray Hare arrived on September 17, 1956. He arrived alone and his wife followed later. He started immediately to organize the embassy into a very strong reporting team on what was going on. He met with Nasser repeatedly. I think Ray's policy was to keep relations with Nasser on a quiet business-like basis. Ray is not a fellow to fool around with. He knows his facts and prepares for meetings with great care. He's quiet and doesn't pound the table or shout. He doesn't do anything that isn't very professional. Nasser was just sitting tight. People would say, "Aren't you afraid of what the British or French may do?"

He would just say, "I'm waiting." And he would leave it at that.

In October there was an incident on the Israel frontier with Jordan. I've forgotten what it was -- a shooting incident of some kind. Israel had been habitually reacting -- almost 100% overreacting - - to a lot of these incidents. In other words, when there was something that happened on their side which was generated from the other side of the border (and it usually was Jordan) Israel would react very strongly. This had everybody worried because we didn't want to see another big fracas. We'd had a number of bloody incidents along the frontier aggravated by the powerful over-reaction of the Israel defense force. In this case we were worried all the more because there seemed to be a semi-mobilization by Israel, not a high-level or top-level mobilization but a considerable movement. We were afraid that what that meant was that there would be an invasion of Jordanian-held Palestine which we had tacitly recognized as a part of Jordan and that it would be an armed encounter.

I remember a message to the Department coming from Israel which was repeated to us. One of our assistant military attachés or our Army attaché reported that he had gone out to take a look at what was happening and had been invited by an Israeli officer to join him in a ride in a new combat vehicle which he'd never seen before and didn't know the Israelis had in inventory. The Israeli officer asked him with a grin, "What do you think's going on here?"

The American military attaché said, "Looks to me like a partial mobilization. Something less than a full mobilization."

"Pretty big?" said the Israeli.

He said, "Yes."

The Israeli said, "Well, you are not far off."

That's all he said. At the very end of October, they pounced on Sinai, paid no attention to Jordan

at all. The war was on. In lightning moves, they were right on the canal and surprised the Egyptian force completely. Such forces as Egypt had in Sinai were quickly overrun or chased out. We had intelligence reports that many of the Egyptian troops just took off their shoes and ran barefoot to get out of there faster. It was a rout.

In the Egyptian press there was nothing of this at all. The Egyptian press carried fabricated reports of fighting on the frontier with Israel. It depicted the situation an Egyptian repulse of Israel at El-Areesh. During the ensuing weeks, Egypt's press never recognized that the Israeli forces had actually reached the canal until the British and the French joined in. They had sent an ultimatum to Nasser to withdraw his control from the Suez Canal area ten miles and the Israelis to withdraw ten miles. It sounded as though they were trying to police the situation. It was, of course, rejected by the Egyptians and I don't think the Israelis bothered to answer because it was all part of a scenario.

Very soon the operation was in Port Said. British forces and French forces were coming right into that area. The Egyptian press recorded the presence of alien aircraft or enemy aircraft over their heads and explained that the wing tanks that were discarded and found in certain places in Cairo were fragments of enemy planes shot down by Egypt. They were put on display. It was a triumph of wishful thinking and of nationalism and pride in an atmosphere of naivete. I found it a very interesting psychological display.

I have to back up a little bit. As a result of the Israeli attack, which was the opening of the hostilities, we received instructions from Washington of a most urgent nature to evacuate at once all our official dependents from the embassy and from the consular offices in Egypt and to reduce the size of our official presence to the absolute minimum necessary to carry on emergency business. Further, we were to encourage all private Americans living in the country who didn't have very compelling reasons to stay to get out. Evacuation would be provided by the U.S. Navy. They called it "Program to Reduce the American Presence in Egypt".

We had no choice but to put into effect long-standing evacuation plans which are routine for so many posts around the world where there's always a chance of trouble. So we did and it went very smoothly on the whole. Our chief administrative councilor, Barr V. Washburn, was in Alexandria and took the program under his direct control. People were evacuated in vehicles of all kinds. The embassy aid program and the attachés between them had quite a few vehicles. My wife and our two little girls were in the last contingent to go out. They took the Cairo West Road as everybody did, to avoid the congested areas of the Delta and took people right across the desert past the Wadi el-Natroun to Alexandria. On the way they had to pass by Cairo West Airport which was under bombardment. As it happened, the Egyptians sometime before, in order to avoid close observation by spies -- meaning military attachés and such people -- had fortunately built a loop around Cairo West so that you couldn't have a close look. You went around this loop. If it hadn't been for that loop, I don't know what would have happened to some of our people, including my own family, because the British paid no attention to the fact that we had given them our evacuation plans in detail and they went ahead and bombed airports throughout our evacuation movement. They bombed Cairo West vigorously.

Q: From Cyprus?

HART: I assume so. I don't know where else it would have been unless they used some aircraft carrier, but I don't recall that I heard that they had an aircraft carrier.

In any event, there was a bombing of Cairo East and Cairo West. I remember the very first night after our families got to Alexandria, there was heavy bombardment of these airports on both sides of Cairo. We went up on the roof of the embassy building and you could see the flashes on both sides. There was considerable noise. Antiaircraft was thudding away with that famous noise -- fwop, fwop, fwop -- and the explosions. So far as I know, I don't remember hearing of a single British or French plane being shot down. There was an awful lot of ordinance used. The reason I mention that is because the press of Egypt again was playing up victory after victory in repelling this invasion. They even had the French cruiser Jean Bart as having been sunk in the Mediterranean off Alexandria by Egyptian action. We later heard that the Jean Bart wasn't anywhere in the neighborhood. Egypt's press manufactured victories to appeal to public morale and carry on the hopes of the people that everything was going to come out right.

I have to say, at the same time, that beginning with the very first night there was a total blackout. All windows had to be curtained or you'd have somebody tossing pebbles at your casement and banging on your door. The city lights were all out and vehicles that moved had blued-over headlights for just enough light so that, if you were driving, you could find your way. Of course, we didn't drive at night for the most part. We walked, but when we had to go somewhere, we had an embassy chauffeur with a blued-out headlight.

I remember, at the start of the black-out, having to go to see somebody who was about to embark in Alexandria. I had a message for him to take. With the driver, we found our way to the part of old Cairo where this apartment building was. We groped our way into a darkened entrance and got hold of an elevator that worked. We went up to the top floor. We sat out there and I looked out over Cairo in medieval darkness. It was a fantastic sight because the stars were so brilliant. It was just like being in a planetarium. There wasn't any light to interfere with total visibility of the heavens at their very best. I thought to myself, "This is a sight that people won't see again unless there is another war, so I'd better appreciate it while I can."

I just looked and looked at this magnificent display. I delivered my message and went back to our house which was now very quiet since my wife and children were gone.

We had the impression that the people of Cairo took this crisis in beautiful stride. There was no panic whatsoever. There was total discipline. The police were polite but insistent in carrying out their duties. There was no rioting. I didn't hear of a single case of looting. There was total control of the streets which raised a question as to whether, if the British had actually tried to come into Cairo, they wouldn't have found it a very, very tough mission. The discipline was so admirable in every respect. The almost total blackout went on until after hostilities actually ceased.

In the meantime, in order to make sure the evacuation was going well and our consular officers safe, we were on our clandestine radio network which was part of our evacuation planning and had been in place for some time, being occasionally tested. We had a transmitter and receiver in the embassy up on the top floor. We had similar installations in Port Said and in Alexandria. We

were in touch with them all by voice. We used call names as "Bat Boy" and other names beginning with "B." It was very important, also, for reporting on the British advance into Port Said.

This way we got up-to-date and instantaneous reports on our own circuitry which would have been impossible by regular telephone or telegraph. All of the regular circuits were tied up by the government. We very soon found out that there was extensive bombing of Dekhalia airfield at Alexandria. Our Navy attack transport, with a fairly large contingent of marines aboard, arrived to take out the first of our evacuees. There were altogether, including the private non-governmental people, something like 2,400 individuals and there were various shuttles made. I had to clear with Ali Sabry, who was a high official of the Egyptian Government, permission to use a minesweeper on the passageway out to the open sea from Alexandria because we were afraid that mines would have been sown there by somebody, maybe by the Egyptians. We didn't know. He readily agreed to this. The minesweepers found no mines at all. The embarkation of our people in Alexandria was done under bombardment. The Marines on board, who had bayonets already in their rifles and were all set to fight their way into Cairo to bring out these refugees, realized at once that this wasn't going to be the game. Everything was moving all right on land with full Egyptian cooperation except for the danger of British bombardment. The bombardment was directed at military targets which we tried to avoid. The refugees were put up in tent camps arranged by Millard Neptune representative of one of the big oil companies that had a concession in the western desert. Millard and Barr Washburn made a very efficient team. He and Barr Washburn organized accommodations in these tents until the passengers could be put aboard ship by landing craft.

In the meantime, back in Cairo, we were working around the clock to make sure all of this went well in liaison with the Egyptian Government which accepted our program and was very helpful.

We began to get calls from Iron Curtain countries saying, "Can you take some of our people?" At five o'clock one morning, just at daybreak, I was in my office and a car with a different flag approached. It was the Polish Chargé d'Affaires. He asked if he could get some of his people on board. The standard answer always was, "On a space-available basis, but we have to take our own people first and foremost." The Hungarians also appealed, but managed to book a Greek freighter.

I remember that the East Germans went into a panic and headed overland for the Sudan, and quite a few Soviet went out that way. The Soviets were quite afraid that they would be targeted. It seemed to be the general opinion that the British and French would pull together after they had taken the Suez Canal and move into Cairo or into the Delta, although it seemed to us that the British policy was based on the idea that Nasser's regime would fall as soon as they had taken the canal area. We and some of the better-informed British embassy people were quite certain that it wasn't going to be that easy. It was unlikely that Nasser's regime would fall because it had the population solidly behind it and had a great deal of backing by the international fraternity of the Third World, especially the Muslim countries. He would stand up to this attack and fight it out in the delta, if necessary, street by street. Anthony Eden did not think so, but those who had served in the British embassy in Cairo did. Among them, I'm quite sure, was Sir Humphrey Trevelyan, the British ambassador, and his wife Peggy. They were a fine couple and we got to know them

quite well before all of this happened. He took great exception to British policy and resigned shortly after these events and later was picked up by the United Nations' Secretary General to be one of his principal aides. I guess you would call him an under secretary in the United Nations Secretariat.

The British in October 1956 found themselves locked into their embassy compound. We didn't realize this until one of our military attachés was traveling in his car past the big iron gate which is very close to our embassy. He saw a group of people waving at him. He waved back and then they called and said, "No. Come over here, please."

He drove his car over and there were Egyptian guards there. They didn't interfere with the conversation. The British embassy staff said, "We are locked in and we have no food. Can you help us get some?" The U.S. attaché turned his car around and went right back to the American Embassy where we had a commissary. He proceeded to pile high the stuff needed and delivered it alone right up to the gate, where the Egyptian guards permitted the vehicle to go in but nobody to come out. Later the Egyptian Government gathered together the British and the French Embassy people. They put them on a special guarded train which took them to Alexandria. Then by some conveyance -- I've forgotten how -- they went on to Tobruk. There they were taken on into Libya which was at that time in a friendly frame of mind toward our country and Britain. They were embarked on ships and returned to Great Britain and France. To these embassies were cleared out. The Swiss took over the British Embassy and ran it very effectively. They made very good liaison with the Egyptians. Since telephones were tapped, they did all oral business among themselves in Schweizerdeutsch and no Egyptian (presumably) could understand a word.

This British absence lasted for quite some months. As for us, we carried on in a skeleton force but we still had an adequate number of people to run essentials, but aid programs had ended. Throughout the blackout period, which lasted several weeks, we were treated with great consideration by the Egyptians. We had no problems of law and order. Social life, was very quiet. Our families had been evacuated from Egypt in an attack transport shuttle to Crete where in Soudha Bay they were picked up by a big U.S. Merchant Marine transport ship. Transportation aboard the attack transport meant great crowding. The Marines were sleeping on deck in relays giving their bunks to the evacuees. The conditions on the attack transport were emergency conditions. Once they got on the Merchant Marine transport in Soudha Bay, politics of an unpleasant kind began. These were influence exercises by some people -- I won't mention names. Bribes were paid to crew by some evacuees to obtain the best staterooms and to avoid sharing. The crew gave little attention to family needs.

Q: These were some of the deportees?

HART: Yes, some of the deportees. It began to be an important factor. My wife, Jane, was the wife of the DCM, but she was concerned about getting everybody else fixed before she got herself fixed. When she finally was allocated a room, she found it was occupied by a woman who said, "I have this room to myself. I paid for it."

She had bribed somebody. Jane said, "We have no other place to go. There isn't a single. . ."

"That's your problem."

Jane said, "You can't do that."

So Jane came in and she had to fix up a sleeping place for our smallest daughter on top of a locker trunk. She found this woman had locked the bathroom door and had taken the key. Our little girl had to relieve herself in the washbasin. The woman was just as nasty as she could be. She was the wife of some correspondent. Another woman from the embassy succeeded in getting the captain of the ship to provide her with excellent quarters very close to his. She put on a weeping act and got the ship diverted to go to Greece where she had connections.

Still another woman had a fit when she found that an embassy woman, against regulations, had a dog hidden in her clothes as she was embarked on the attack transport. The complainant was a nurse and a single lady and she had had to leave her dog behind her in Egypt with friends. The dog meant a great deal to her, like a substitute child, we'll say. She had a great sentimental attachment and was worried stiff about the animal. When she found another woman had sneaked her dog aboard, she went into hysterics.

So there were scenes aboard that made it somewhat less than a beautiful experience.

Q: This was aboard the Army transport?

HART: Merchant Marine. The transport brought them into Naples after the stop in Greece. This was in November. Naples was cold and wet. Our embassy and consular offices had been advised of this movement of people. They were going to have all these people descending upon them. The U.S. military group who were evacuated, some of the attaché people and particularly their families, had been in direct touch through their military circuitry with attachés in Italy. There was a large U.S. military presence in Naples. Those dependents got into a nice hotel which was well heated and had excellent food and service. My wife and all the rest of the non-military dependents found themselves in an unheated hotel out of season which management would not heat and in which no kitchen was functioning. The best you could do would be to get a hot plate and hope you didn't blow out a fuse. You had to go out and buy the hot plate. Getting food was a real problem. Most evacuees didn't have any Italian, but apart from that necessities weren't available anywhere near the hotel. With small children you couldn't manage. Parents took turns sitting while others shopped.

Fortunately, this situation was brought to the attention of the consul general's office in Naples and the wife of the consul general arranged for her chauffeured car twice a week to make tours to the U.S. military commissary and to do the other shopping that was necessary. So the transportation was made available periodically so they could get their food, but they never got warm in that hotel. Children came down with all kinds of colds, fevers, and childhood illnesses. It was very difficult.

Jane had one liaison which proved to be critically important. The secretary of Mrs. Luce, the ambassador, was an old and dear friend Mary Nix. Mary was on the phone with Jane and some things were straightened out by that circuit. Eventually, Jane found, as others did, that it was best

to leave Naples and get up to Rome where conditions were better. They were able to get into a pensione and get proper accommodations as well as to make schooling arrangements. It was cramped and not easy, but it was a lot better than Naples. They at least kept the place partially warm, warm enough so that you could stand it although they weren't overly generous. These pensioni are pretty close-fisted and they don't make very many concessions. They always try to cheat. They always have some extras on the bill that you have to go down and fight about. Over and over again, there was a fight just about every day over bills. Nevertheless, evacuees had access to the embassy and to Treasury checks which were coming in for them for living allowances as a result of the command evacuation taken in Washington.

People scattered when they got to Rome. Some, who might have helped others just disappeared. All evacuees were offered a choice by the Department, either to stay in Italy until things were in such shape that they could go back to Cairo or to go home to the U.S. if they wished. The Department would pay for that. This meant going home to mother and father for most of them because they didn't have homes which they owned they could immediately repossess in the States.

Many people took advantage of that. Others felt, "I can't go home and live off dad and mother. It's too late in life."

So they stayed where they were. Some went to third places. They were trying to be generous in the Department but after quite a while, they began to run out of money.

This evacuation took place at the end of October and it was not lifted until April, six months. I had some hand in getting it finally lifted. It was obvious from some time in November that the war was over. The British had withdrawn and the French and Israelis had withdrawn. In England, the whole operation had been a scandal and a failure. Anthony Eden, as you remember, had gone away to his country place in a very bad frame of mind and near a breakdown. Still they didn't lift the evacuation order in Washington, and I think it was a political decision. They wanted to keep pressure on Nasser. His action, which was traceable directly to Dulles' withdrawal of the High Dam offer, had caused a rupture in NATO. We had taken exception. Dulles had stood up against his own allies in the United Nations and made a strong speech. Having taken this position -- which we thought was right and even Nehru, who was very anti-American, praised it -- the effort that Dulles was making from there on very obviously was to try to patch things up as quickly as possible with the British. The canal in the course of hostilities had been totally blocked by Egyptian action by dynamiting bridges -- one bridge in particular. Egypt also sank ships loaded with concrete -- barges mostly and some small vessels. Then the Egyptians were asking us for wheat under PL 480. I received that request and passed it on with a positive recommendation. It was rejected out of hand in Washington, whereupon the Egyptians started saying publicly for everybody to read and hear that all of this U.S. siding with Egypt was a fake, that the U.S. was really going after Nasser and trying to starve Egypt out. Any good will publicly that we might have obtained from this action was quickly dissipated by this decision not to sell PL 480 wheat. Of course, the U.S. rejection was based on a desire not to make the British any madder than they were already. The U.S. was trying to get the canal cleared as well. Lieutenant General Wheeler, the head of the U.S. Corps of Engineers, was sent out to see what needed to be done to clear the canal, to get somebody to agree to clear the canal. He came and stayed with us, and he was

approached at once by the Egyptian press which was trying to get him to endorse the thesis that the bridge had been blown up by enemy action. Everybody knew the Egyptians had done it themselves to block the canal to prevent British and French resumption of control. Of course, when Wheeler was asked what caused the bridge's collapse he replied very simply, "Explosives." He wouldn't say who planted the charges. He didn't succeed in getting any program started but Dulles kept frantically after us to try to get the Egyptians to agree to a program of removing the obstacles to movement through the canal. The chief holdup was who was responsible and who was going to pay for it. The Egyptians weren't about to pay for it and I've forgotten how it was eventually financed. It took a long time to do before the canal was back in use.

All these things were going on and we were reporting regularly on conditions. Washington showed no signs of lifting the evacuation and I think they held it in place as a pressure -- they thought -- on the Egyptians. I don't think it had any effect on the Egyptians at all. It just kept our families separated and some of those families ran into crises, domestic crises, as a result. In Rome, evacuees were struggling to get along in evacuation status and they had no embassy status at all. They were just refugees and an annoyance. I must say the embassy in Rome was not very attentive. It depended on whom you knew. The embassy, *per se*, did the minimum. Individuals helped but the embassy as such did not grapple with this refugee situation as a high priority. They just had their collective mind on other things. It was a big embassy, of course, in a big city.

My father, near Boston, was going into his last illness. Things were quiet in Cairo and so I had no problem in asking Ray Hare for permission to go home before it was too late. A decision was made at once between me and Jane that I would pick her up and take her and our girls back to the States until they could be returned to post. So I did. I should mention that all of us in the embassy during this period of six months had an opportunity to make one round-trip flight, with air attaché aircraft when the aerodromes were open, to fly to Rome and visit our families in exile. I did. Then I came back in April of 1957 to pick up Jane and the children on a regular commercial flight home. I was home for my father's final days and Jane was with her family in Chicago. When that was over, we all flew back together, including Jane's mother. Her father, Dean F. Smiley, head of the Association of American Medical Colleges, went out to Beirut to do an inspection of AUB Medical School for the Association. He joined us in Cairo. We returned to something like normal in Egypt, but we were a much smaller mission. AID was gone.

The atmosphere in our relations with Egypt was ambiguous partly because of the attitude of Dulles, who had a personal feeling against Nasser. It was reciprocated fully by a very personal feeling against Dulles by Nasser. Also it was reciprocated by Nasser's toying with left-wing elements in the Third World. The distrust of Nasser was very deep in the White House and in the State Department, as far as Dulles was concerned. Anything that was going to be a gesture of friendliness by the United States had to be cleared at the highest level and it was usually not cleared.

I went back with the family in May of 1957. In late fall I was told that I was going to be nominated to be ambassador to Jordan and that I should come home for the formalities and the hearing. Loy Henderson sent the telegram to me and it was the most gracious telegram that I ever dreamed of getting from the Department. "Would you accept this if offered?" I went to talk to Jane. I was flattered by the honor, but we talked it over because I wanted her to share in the

decision. She concurred and I sent a message agreeing. I never thought I'd get the offer of a post in quite those terms. I still think of it as one of those master touches by Loy, who knew how to handle his troops. Dulles had no feel for his Foreign Service, except for those immediately around him. However, Loy Henderson knew his people.

I went back to Cairo and picked up the family after having been sworn in and gotten my credentials and all the rest. While I was in flight between the United States and Cairo, an overnight flight in a propeller aircraft, with my credentials under my pillow, King Faisal of Iraq and King Hussein of Jordan stayed up all night and decided to federate. It was announced in the morning and by the time I got to Egypt I got word from the Department, "Don't proceed further. Wait."

Of course, you know the result. It was decided that, in view of this federation between Iraq and Jordan which looked rather fragile but nonetheless was in place as a defensive response to Egypt's union with Syria, the United States would back this federation and recognize it by having only one ambassador named to it. Well Waldemar J. Gallman was already in Baghdad and much senior to me. He had already been there for some time so it was automatic that he would be named the ambassador to the new federation. The federation was finally proclaimed in 1958.

I had flown to Washington in January 1958. I went alone and my family stayed in Cairo. I received my credentials, went back and was stopped in Cairo, where I waited out federation negotiations between Iraq and Jordan.

CURTIS F. JONES
Consul
Port Said (1952-1954)

Curtis F. Jones was born in Bangor, Maine in 1921. He graduated from Bangor College in 1942 and then served in the Army for three years. In addition to Egypt, his overseas career has included towards the end of the war that he became interested in Foreign Affairs. He has also served in Lebanon, Ethiopia, Libya, Syria and Yemen. He was interviewed by Tomas F. Conlon on March 29, 1994.

Q: Career Development, I think they called that function later on.

JONES: Yes. And Pinkerton told me that several of my seniors, including Ambassador Lewis Clark, felt that I wasn't ready to open a new post. So consequently I was going to be assigned as Consul in Port Said [Egypt]. I spent 1953 and 1954 in Port Said. As a matter of fact, it was probably a much better assignment for me, [looking back on it] over the years, than Khartoum would have been. Because my two years in Port Said were my only tour in Egypt. I learned a fair amount of Egyptian Arabic and subsequently became the Syrian-Egyptian desk officer.

Q: How was the situation in Egypt at that time? When was King Farouk deposed? He was overthrown in about 1953, wasn't he?

JONES: "Black Saturday," or whatever it was called, was in January, 1952. This involved a clash between the British and the Egyptians in the Suez Canal Zone which resulted in the death of a number of Egyptian policemen -- maybe 30 or more. On the following day there were major riots in Cairo, in which the Muslim Brothers were very active. The Egyptians are usually thought of as docile, friendly, and happy go lucky people. But on this occasion passions ran so high that several British at the Turf Club were torn limb from limb by an enraged crowd, while a number of targets which the "Islamists" opposed were burned down -- bars, theaters, and that kind of thing.

Q: Wasn't "Islamist" a term that emerged later on? It wasn't the contemporary term.

JONES: Yes. These were [the so-called] Muslim Brothers.

Q: "Islamist" is a very convenient term.

JONES: An "Islamist" is somebody who wants to return to the days of the Prophet and the Koran, who wants to impose the doctrine of Islam and make it the law of the land. So the answer to your question is that the political ferment in Egypt, which had already reached fever peak in January [1952], finally culminated in July, 1952, in the coup d'etat staged by [Egyptian military] officers, including Nasser, Naguib, Sadat, and a number of others. In those days rebellions were fairly polite. They actually put King Farouk and his family on a boat and sent them off to Europe. When I arrived [in Egypt], Nasser was already in power. Naguib was the figurehead...

Q: He was moved fairly quickly away from the levers of command.

JONES: Yes. In Port Said the Americans had to thread their way among three factions: first of all, there were the British who controlled the [Suez] Canal by virtue of the presence of their [armed] forces. Second were the French, who ran the Suez Canal Company. Third were the Egyptians, who were trying to assert their nominal sovereignty over the Canal Zone. The Egyptians themselves were divided three ways: there were still members of the old, monarchist faction who, of course, were lying very low. Then there was the Naguib faction. And finally the Nasser faction.

Q: Where was Sadat in this situation? Was he a supporter of Nasser?

JONES: I suspect that, when it came time to expel Naguib, all of the members of the Revolutionary Command Council, the RCC, went with Nasser. I'm sure that Sadat did, because Nasser picked him as his vice president, though later on.

Q: Regarding your assignment to Port Said, how many Americans were in the Consulate at that time?

JONES: One Vice-Consul, Marshall Wright, for most of that time; one mail clerk, Ed Christie; and an Assistant Naval Attaché -- I can't remember his real first name -- "Blackie" Lindenmuth, who was subsequently replaced by LCDR Gillette.

Q: You were the Principal Officer?

JONES: Yes. Of course, the [position of] Principal Officer in Port Said is a much less prestigious position than that of the Principal Officer in Khartoum, where I thought that I was going to go. However, in terms of acquiring expertise on the Middle East and the Arab world, the Port Said assignment was much better.

Q: I've never been to Egypt and I'm a little unsure of the geography, but how far is Port Said from Cairo?

JONES: Oh, 100 to 150 miles.

Q: It's far enough so that you don't go there in the morning and come back in the afternoon -- not easily.

JONES: Not as a rule. You can do it, but...

Q: Are the roads fairly good between the two places?

JONES: Not too bad. They were British maintained. The Canal is about 100 miles long, as I recall. Port Said is at the North end, and Suez is at the South end. To go to Cairo, you drive down to the middle of the Canal to Isma`iliya, on the Great Bitter Lake, and then turn West to Cairo. We did this, of course, quite often. As a matter of fact, the procedure established by my predecessor and followed by me was to do almost all of our political reporting by letter to the Ambassador and let him incorporate that in Embassy reporting as he wished. An exception was made by [then Vice-Consul] Marshall Wright with my endorsement. An Israeli commercial ship, called the "Elat," tried to "break" the blockade of the Canal. It was stopped, of course, by the Egyptians, who were then in control of the Canal.

Q: What year was that?

JONES: I said that the Egyptians were in control of the Canal. [Actually], the British were still in control of the Canal Zone, but the Egyptians had...

Q: Control of the access.

JONES: They had control of the access [to the Canal]. This would have been in 1953 or possibly in 1954.

Q: You were already in Port Said. Did you attend Embassy staff meetings when you went up to Cairo?

JONES: Yes. I sat in on staff meetings and, I recall, was invited to participate [in the discussions]. As a matter of fact, when I went back [to the U. S. on transfer] from Port Said, my recollection is that Ambassador Caffery was leaving Cairo to retire. He and I were on the same

ship. I remember that there had been some fairly serious unrest in Cairo after he left.

Q: When did he leave Cairo?

JONES: If my recollection is correct, this would have been in late 1954 or early 1955, when I was leaving Port Said to go back to INR. I recall Ambassador Caffery saying at the time that he didn't understand what had happened to the Embassy which, at the time, was under Lewis Jones, the DCM [and chargé d'affaires]. Ambassador Caffery said, "What's the matter with them? They've lost control of the situation back there." But I couldn't possibly identify what unrest he referred to, because Egypt went through several years of unrest in those days. It wasn't until 1956 [that] the British finally evacuated the Canal. The Anglo-Egyptian Treaty was signed...

Q: The treaty was negotiated, as I recall, mainly by Anthony Eden [then British Foreign Minister], isn't that so?

JONES: I suspect so, yes.

Q: Wasn't the date of the treaty 1954, and it was to be phased in over a period of time?

JONES: I believe that you're probably right.

Q: So the treaty was negotiated in about 1954. Eden surely would have known, by that time, that a British military presence in the Suez Canal area had become essentially untenable. Now, you were out of Egypt...

JONES: I was following [developments concerning] the Canal very closely. As a matter of fact, I am probably the one person who probably, speaking from the vantage point of INR, should have predicted the nationalization of the Suez Canal by Nasser.

Q: Let's go back a bit to the time you were there in Port Said. In terms of political reporting, were you involved in anything more than letters to the Ambassador which would be incorporated into his own reporting program, as he saw fit?

JONES: No. I envisaged my responsibility in Port Said as establishing the best possible, most informative contacts with the British and the French, but primarily with the Egyptians. Possibly as a result of lessons I had learned in Libya, I think that I had a considerable amount of success in doing that, although I was reprimanded mildly by Bill Burdett, who was sitting on the Egyptian desk, because I never took any trips into the Sinai [Desert area]. He thought that I should have done more cruising around the consular district. That was the way he perceived it. But in any case I do think that I was able to supply the Ambassador with information that he found valuable. At least he said so, according to [Foreign Service Inspector Bernard] Gufler, who inspected our post while I was in Port Said.

Q: Then your consular district included the Sinai and what else?

JONES: The Canal Zone and the Sinai.

Q: *At that time was there anyone much to see in Sinai?*

JONES: 50,000 or 100,000 Bedouins.

Q: *They wouldn't have been very significant. The main activity was in Port Said.*

JONES: That's where the action was, sure.

Q: *You've mentioned previous problems with the British in Libya. By that time, when you were in Port Said, had their view "evolved"? Were they prepared to accept an American presence -- American consular or political officers, doing political reporting, contacting Egyptians and so on, perhaps without their knowledge?*

JONES: There were certain elements in London who were very unhappy with [Ambassador] Caffery because Caffery had immediately established close relations with the Nasserist clique, even though the takeover was a total surprise to us. Nasser and company had to scratch around to find an American whom they knew by sight, so that they could establish contact with the [American] Embassy [in Cairo]. I believe that they found an Assistant Military Attaché who had run into a couple of them at some affair or other. However, after the Nasserist takeover, [Ambassador] Caffery, primarily through Bill Lakeland, who was subsequently "selected out" [of the Foreign Service] because of Bob Strong's intervention, had established close and friendly relations with the Nasserist regime. [This approach to Nasser] had created opposition back in London, to the extent that they were incensed -- at least the Conservative faction was.

However, I didn't suffer from this in Port Said. I had very friendly relations with Colonel Popham and Colonel Clift, who were the top British officers, as I recall, in the Canal [Zone] at the time. As a matter of fact, Popham was very forgiving when I made one serious mistake.

Q: *What was that?*

JONES: I had called on all of the Egyptian officials I could find. One was a very urbane old general named Ahmad Salim, who was the head of the Coast Guard in the Canal Zone. Ahmad Salim phoned me some time after I had visited him and said he'd like to invite me to a party. He said he'd call for me at such and such a time. I was delighted and said that I'd be happy to go.

So he picked me up, and we went to the party, which turned out to be held in a main street of Port Said, under a vast canopy or tarpaulin -- a tent, in effect -- attended by several hundred Egyptians inside the tent and several thousands outside in the street.

Q: *Sounds like the makings of a riot.*

JONES: Exactly. I was placed in the main section between Gen. Ahmad Salim and the Governor of the Canal. So the next day the Port Said press, in French and Arabic, featured the American Consul, sitting between these two officials at this rally held to encourage the British to leave the Canal.

Q: But you didn't know that in advance.

JONES: I had no warning whatsoever. If I had been more sophisticated, I would have realized what they were setting me up for. [Laughter]

Q: There was no advance publicity, and yet there must have been some means of assembling all these people.

JONES: Well, of course, the Egyptian Government had no difficulty whatsoever in just "putting the word out" to their cliques and claques. [They would say], "We're getting together in such and such a town and place."

I subsequently explained this to Colonel Popham. He said, "Oh, so that's how they got you there." He never said anything more.

Q: He understood. He had probably been caught a couple of times in the same kind of thing.

JONES: It's possible.

Q: This particular incident happened when?

JONES: All I can say is that it was fairly early on in my tour [in Port Said]. I would say that it was in 1953.

Q: Then, over the period 1953 to 1956 the British were evacuating troops [from the Canal Zone]. Didn't they have civilian contractors to keep up some aspects of a British presence in the Canal Zone?

JONES: Well, there was a vast myth propagated by the British and French that piloting ships through the Suez Canal required years of training and that it was an area of expertise for which no Arabs were qualified. This myth was exploded after Nasser nationalized the Canal in 1956.

Q: I had heard and accepted this myth, as I didn't know any better.

JONES: Well, there are certain tricks to piloting a ship in the Canal. When you're in a canal, in order to turn right, you steer left because the waves pile up beside that bank of the canal. But once you know that little trick, all you do is just steer your way down the canal. The Suez Canal has no locks. No problem.

Q: At this point, when you were in Port Said, was Jefferson Caffery the Ambassador [to Egypt] during the whole period or...

JONES: Yes, my recollection is that he and I left together.

Q: My first post in the Foreign Service was in Havana, where [Caffery] had served several

times. I think that he served as chief of mission longer than anyone else.

JONES: He may have been in the "Guinness Book of Records" for that, though I'm not sure. Henry Byroade hung on [as chief of mission] for an amazingly long period of time, but I don't think...

Q: I think that Jefferson Caffery may still hold the record. Did you have any particular impression of his style of operating a mission? Did he get deeply involved in all aspects of the mission or did he leave it to the section chiefs? Or were you that closely connected to the matter?

JONES: His DCM [Deputy Chief of Mission] for most of the period was Lewis Jones. I suspect that Lewis Jones "ran" all of the sections of the Embassy, except the Political Section. I'm not sure of the extent to which he [Caffery] was involved in the Political Section. Caffery operated with Nasser through his [military] attachés and through Bill Lakeland, a young officer of my generation and an Arabist. I can remember Mary Jo saying when I went to a reception...

Q: Who was Mary Jo?

JONES: Bill Lakeland's wife. We went to a reception at the Embassy. We were invited quite often to Embassy affairs when we were in Cairo. I said [on this occasion] to Mary Jo, "Where's Bill?" She said, "He's closeted with the Ambassador." Bill was a very able officer and a good friend of mine. I was sorry that his career was shortened by events in Baghdad later on. So I would say that [Ambassador] Caffery kept a finger on the political pulse but probably wasn't terribly interested in the rest of [the activities of the mission].

Q: Then you finished your two-year tour, in Port Said. Was this a two-year tour because of health conditions or isolation -- or was it simply a long-standing practice?

JONES: In those days -- at least in my area -- it was the practice to move people quite often. I left Beirut after a year and a half, I left Port Said after two years. I was saved, I think, from selection out [of the Foreign Service] by Bernard Gufler, a [Foreign Service] inspector, [though] I was promoted a year or two after all of my contemporaries. I went back to INR.

ROBERT R. BOWIE
Head of Policy Planning Staff
Washington, DC (1953- 1957)

A University Professor and senior level Public Servant, Dr. Bowie was educated at Princeton and Harvard Universities. He practiced law in Baltimore before entering the US Army, where he served from 1942 to 1946. After the end of World War II he served in Germany as Deputy Military Governor. His service with the US government included Deputy Director of the Central Intelligence Agency, Counselor of the Department of State and Director of Policy Planning for the State Department. He was also Professor at Harvard University.

Q: Turning from here to several other areas of particular interest, one is during the Suez crises, how was the policy planning staff--what were you doing during what led up it, the Aswan dam, and the denial of assistance there, which was said to have sort of instigated it?

BOWIE: I can only give you a very brief comment on it, but of course in connection with the NSC process we had had several studies of the Middle East as such. And so there was a reasonable grasp, I think, of the tension among the nationalist aspirations of the Arabs, particularly led by Nasser; the interest of particularly the U.K., United Kingdom, in trying to maintain its historical position in the area, which was based very heavily on its relations with Jordan and with Iraq; the Western interest in trying to create a basis of containment in the area through the Baghdad Pact, which was of course objected to by some of the Arabs like Nasser because of the feeling that it was really an instrumentality for maintenance of Western influence; and then the Arab-Israeli conflict. So I mean it was recognized as a result of these earlier NSC papers that this was a very complex mix of forces and pressures and so on.

The West, the U.S. in particular, was trying to do two things. It was trying to see if we couldn't resolve the Arab-Israeli issue, and that was the subject of extensive efforts called Alpha, in cooperation with the U.K., trying to find a formula which would make it possible to arrive at peace between the Arabs and Israel. And in the end both Israel and the Arabs were unwilling to play ball. That, for example, that specific exercise, was largely in the hands of NEA, the Near Eastern Bureau, and their counterparts in the U.K. So while the Policy Planning Staff took part in commenting on these things, this was pretty much looked on as an operational kind of thing.

Second, the hope was to find a way to get on with Nasser, recognizing the pressure of Arab nationalism but trying to avoid damage to Western interests from Nasser's pursuit of it. And this in the early stage was in cooperation with the British. But of course the British saw themselves as losing their position in the area under the pressure of Arab nationalism; they more and more tended to personalize it, as a result of Nasser's activity, and they tried to solidify their positions in Jordan and in Iraq and to use the Baghdad pact as an instrument to maintain their position in the area.

And this was a source of some tension between us and them because we thought they were perhaps overdoing it in trying to bring the Jordanians into the Pact and also in bringing Iran into the Pact. And we irritated them because while we backed the Pact, we wouldn't join it partly because we felt that if we did we'd then have to do something for Israel and this would further alienate the Arabs and so on. All I'm trying to suggest is that there was a very keen understanding of what a complex situation it was.

And the Aswan dam proposal was one of the efforts to try to see if we could bring Nasser into a more cooperative relationship.

Q: For the record, could you describe very briefly what the Aswan dam--.

BOWIE: Yes, this was a proposal that the United States, U.K. and the World Bank cooperate in providing the foreign financing, the foreign assistance, which was required for the building of a

major dam on the Nile which would be both for irrigation and power. This was something that Nasser was very much interested in. It was going to be an enormous undertaking which required I think \$1.3 billion, or something of that sort, of which a very large part had to come from domestic, internal resources of Egypt but of which I think \$400 million had to come from outside, foreign exchange. And that's what the U.S., U.K. and the World Bank were going to provide.

This proposal came right after Nasser had made the deal for Czech arms, which really were Soviet arms, which of course was very upsetting to Western purposes in the area because it would raise problems then about the arming of Israel and so on. Still, in cooperation with the U.K., and really under pressure by the U.K., the U.S. and the Bank offered to finance this dam in December of '55. Then negotiations took place over the coming months and Nasser tried to improve the conditions that were offered. And he also objected very much to some of the requirements that the Bank said it had to have in order to make certain that Egypt did in fact devote the resources that were going to be required to the completion of the dam, if it was built.

More and more, Nasser was acting in ways which were seen as damaging on the Western side during the spring of '56. And finally Congress was becoming more and more hostile to using American funds for this purpose, responding to a variety of pressure groups. Cotton growers in the South thought that this irrigation would increase the amount of long-staple cotton and be damaging to them. Supporters of Israel saw this as building up Nasser. Nasser recognized Communist China in about May or a little earlier and that alienated the China lobby.

As I say, there was growing disillusion with Nasser and doubts about the ability to work with him, particularly over the decade, which would be required for construction of the dam, a feeling that if you carried through you might very well have so much friction over handling it and completing it that you not get any political benefit from it but would get hostility. And finally Congress threatened to pass legislation which would have actually forbidden the use of any funds from foreign aid to support the dam. So in the middle of July Dulles finally, in consultation with the British, decided that they would simply withdraw the offer. And this of course was seen by Nasser as highly offensive: he considered it as a reflection, an effort to denigrate him; a week later, he nationalized the Suez Canal Company.

Q: Well, was the policy planning staff involved much in saying what effect this might have?

BOWIE: Well, as I told you, the way things worked, the staff worked on a variety of things including the question of relations with Egypt and so on. And we did studies, particularly internal studies, and I took part in the various key meetings. I don't particularly remember any meeting dealing with the actual making of the offer, but I do remember very well the meeting that took place before the final decision to withdraw the offer. There was essentially a canvassing of the pros and cons of canceling it, or going forward. And our hand was forced, that is to say we had to take a decision, because Nasser decided to send his ambassador, who had been in Cairo, back to the United States for the specific purpose of saying that he would now take the dam offer without the conditions that he had previously proposed. So he was trying to force our hand at that point, I think suspecting that we would not be able to go forward, or not be willing to go forward.

But I can remember well the meeting that was held with the Secretary to discuss the pros and cons. As I remember, we certainly tried to contribute the element of what was likely to be the longer-term effect of withdrawal; I wouldn't suggest to you that we anticipated he would nationalize the canal company, because we didn't, but we certainly recognized that he would take it hard and that it was going to make relations with Egypt difficult. And indeed in the meeting we discussed the character of the communique regarding the withdrawal and I remember urging very strongly that we write it as far as we could in such a way to be conciliatory rather than confrontational. And I think I had some considerable role, as I remember it, in redrafting the communique for that purpose. So, I mean, the purpose was not to confront Nasser in the sense of trying to humiliate him, but on the contrary to try to present the decision, for all the various reasons I've given, not to go forward--and recognizing of course that this would be taken very badly by him--nevertheless try to present it in a way which said essentially we remain friends with Egypt, we want to provide help in other forms and so on.

And actually when Dulles met with the ambassador, who himself was very anxious and had worked hard to try to improve relations between Egypt and the United States - he had a perfectly civilized meeting and tried to explain in detail that we were not trying to humiliate Nasser, but obviously that didn't affect the fact that Nasser felt that it was a real affront.

Q: How did you, and I'm saying you, both you personally and on the Policy Planning Staff, view Israel in those days as basically a domestic political given that we had to accept or did you see it as a positive influence in the area?

BOWIE: No. I think there was certainly an awareness of a strong support for Israel, especially in certain quarters, and that this was a political reality. There was certainly no hostility to Israel in the sense it was taken as a fact that Israel existed and was entitled to be secure and exist along with the others in the area. But I think the Administration came into office feeling that the Truman Administration had tilted much too much in favor of Israel and that therefore they thought of themselves as trying to adopt a more even-handed policy toward Israel and toward the Arabs. I don't think they saw Israel as a strategic asset, there was none of that - there was no belief that Israel was a valuable asset. There was certainly a feeling that there was a definite commitment to Israel which would be honored, which was based as much as anything on sympathy, on history and on other things. So there was no idea of undercutting Israel or abandoning Israel, but there was a very strong feeling that we also had a very great interest in relations with the Arabs and that it was necessary not to ignore that to the degree that it had been perhaps ignored in the previous administration. But I think the formula that was adopted, and I think was meant, was more even-handed treatment of the Arabs and Israelis and a real effort, very intensive effort to arrive at some formula for peace between the Arabs and Israel which would assure the security of Israel and acceptance of Israel in the area and at the same time end the hostility and the feeling of threat by the Arabs which certainly was also true at the time; the conflict itself was seen as an inevitable obstacle to more stability in the area and to good relations with the Arabs, given the American commitment to Israel, which was indeed going to be honored.

Q: Going to the Suez war of 1956, did you or the policy planning staff become involved in the rather fast-moving period then?

BOWIE: In the--

Q: During the Israel, French and British attack on Egypt.

BOWIE: And I didn't quite get what was the question.

Q: Well, your personal involvement, Policy Planning Staff.

BOWIE: All through this period after the nationalizing of the Canal Company, I took part in many of the conferences like the London conference in August to try to develop a common position for the solution to the problem, and thereafter in the various meetings, obviously within the Department but also many of those which were held internationally. And so I'd simply say that the policy planning staff was one player in the efforts to formulate policy. I differed somewhat in August with the line which was taken. At the London meeting the U.S. went along with and helped develop a plan for international operation, operation of the canal by an international agency. And it seemed to me that this was a non-starter, because of the fact that it would require Nasser essentially to turn over the canal to the control of an international agency and would therefore amount to a reversal of his nationalizing of the canal company. And I thought that we could get sufficient protection by a series of safeguards on the fixing of tolls, access to the canal, having a voice in selecting the manager, and so on. In other words, rather more specific kinds of safeguards which would still leave the canal nominally or in fact in charge of Egypt but subject to a variety of safeguards like those of a regulatory agency in this country for assuring that the control couldn't be abused. And I thought that was conceivably saleable, particularly as Nasser became more concerned about the threat from the British and French and also because I think he gradually became aware that if he was going to get the revenues which he was looking forward to from the canal he was going to have international confidence that the canal was reliable and would be run in a way that made it usable commercially. And so it seemed to me that you could probably get him to agree to a fair number of safeguards which would probably be adequate.

Recently, I've had the opportunity to go over the documents as I wrote a piece on Suez. I was amazed to discover that Eisenhower shared this view. I had not known it at the time. But Dulles sent a cable from the London meeting on Suez telling Eisenhower they were planning on having an international agency run the canal and Eisenhower sent back a cable saying that he thought Nasser would find this very difficult to accept and that he wondered whether we wouldn't be sufficiently safeguarded by supervisory control rather than direct ownership by an international agency. Dulles then cabled back that he thought he'd pushed the British about as far as he could and essentially that they might very well jump ship if he pushed them further. And then Eisenhower sent back a cable saying, well, you're on the firing line, I'll have to abide by your judgment and I'll approve whatever you think is necessary. But I was quite fascinated that his judgment was the same as mine.

NICHOLAS SHAPIRO LAKAS

**Deputy Principal Officer
Alexandria (1953-1957)**

Mr. Lakas was born and raised in New York City and educated at George Washington University and the University of Wisconsin. Entering the Foreign Service in 1948 he became a specialist in Foreign Commercial and Economic Affairs and served in Washington with both the Departments of State and Commerce, Mr. Lakas had assignments in Egypt, Ireland, Scotland, Kuwait, Libya and South Korea. Mr. Lakas was interviewed by Charles Stuart Kennedy in 2002.

Q: Well then, in 1951, where did you go?

LAKAS: I was appointed officially principal officer of a consulate at Cork. In 1953, my mother died, and I called the embassy to send down, which they did, an assigned officer. I caught the plane out of Shannon. I knew I wasn't coming back. I left my wife and child in Cork to pack up and follow me. I arrived in Washington, and did what I needed to do. I had a temporary assignment in the Department of State. I arrived in May, and by November, I was on my way to Alexandria, Egypt, as the deputy principal officer, out of a consulate general. It was one of the biggest we had there at that time.

Q: Great pickings.

LAKAS: It was the first time I saw a CIA station chief. It was my first encounter. That's how large it was.

Q: You were in Alexandria from 1953 to?

LAKAS: 1957.

Q: What was the situation in Egypt in 1953?

LAKAS: Farouk was about to leave by invitation.

Q: He left from Alexandria, didn't he?

LAKAS: That's right. A person named Muhammad Naguib appeared on the scene.

Q: General Naguib, yes.

LAKAS: There was a lot of uncertainty. I was more attentive to getting that consular back into shape again, as the administrator number two. Records had to be returned to St. Louis. My job was also to handle the visas in addition to helping the consul general run the office. I was promoted to class eight. Very shortly after Naguib appeared, about a year later, someone named Nasser took over openly. I would hear from various directions that we were working hand-in-hand with Nasser. Byroade was the ambassador. Two generals who understood each other...

Q: Henry Byroade, yes. He was the youngest general in the American army at one point, during World War II.

LAKAS: There was a discussion on helping them to build the Aswan Dam, which in itself would retrieve a whole lot of land that could be used for cotton. Then, whatever happened behind closed doors, I have no idea. All I heard was that we had pulled away from the promises we had made to Nasser to deliver the goods. Nasser lost face, and he was very unhappy with us. Very shortly thereafter, he went to Moscow, and about two weeks later, we saw ships bringing in tanks, guns, and that kind of stuff. July 26th, Independence Day, I went to hear Nasser deliver a speech in the square in Alexandria. I stood on the balcony looking down on him. There was a vast multitude of people. At about 10:35, they began to announce that the Suez Canal had been nationalized. The military forces, the police, out of Egypt, had ceased. The people down in the square didn't quite understand what he said, so he repeated what he said. My translator next to me told me what he said. When they understood what he said, the place was in bedlam. I got in one of the first reports to Washington that night. Our consul general was not there, he was on home leave, so that was it. Then, began the maneuvering from Cyprus and elsewhere, France, Britain, and the Navy moving around and around, making threatening gestures. We in America began to put together something called The Canal Users Association, with Lloyd Henderson heading it. He would frequently dial us at the embassy in Cairo. What happened was an open attack on Egypt.

A telephone call came in to me. I think it was a Sunday night, saying to prepare the consulate for extensive requirements, break out the radio, and bring in the personnel, which we did. I didn't see my family again for six months. They were evacuated. We evacuated 6,000 citizens, mostly American citizens, but others who were subjects of countries friendly to the United States. We did it through Alexandria. We had already rehearsed earlier the evacuation plan. We had the American business people take on the job as wardens, check addresses, check passports, so we were ready. The sixth fleet came in, and stayed outside the harbor to make sure they were there beneath them. A week later, there appeared in the office some 36 Americans who had not heard of the war, because the Israelis had taken them up through Sinai, to attack from that area. The consul general returned hastily from Washington. I was given the job of taking 36 citizens across the desert to Libya.

Q: You've written an article for the Foreign Service, but I'd like you to describe it.

LAKAS: Well, there was no way to get out of Egypt, either by ship or plane, or railway, either to the Sudan, south from Alexandria or Cairo, or east or west. The canal had been closed. The ships had been sunk. Transit was virtually impossible. So, it was agreed by the embassy and the State Department that we would approach an oil company, The Sahara Petroleum Company, that was exploring oil in the Katar depression, and ask them to help us with our vehicles. We put together 16 vehicles, carry-alls, whatever. They gave us supplies, oil, food. We summoned the people who were going to do this to meet us at the Cecil Hotel in Alexandria, with me serving as the commanding officer, so to speak, of the other convoy. It took us approximately 22 hours to reach Tabu. There were some problems along the way, which I cannot discuss. We had hoped that the consul in Benghazi would have been informed of our approach; that the authorities of Libya

would be there on the spot to get us through the required examinations, but he had an accident on route to do all of this. We got to the Frontera and the Libyans wouldn't let us in. I finally persuaded the commanding officer to call the foreign ministry, to speak with the foreign minister himself, who got in touch with our embassy, in Tripoli, who said, "Oh, yes, we have people coming in, please let them through. They are clear." We didn't have our baggage examined. We didn't have our baggage examined in Egypt either, because of negotiations that went on between me and the...

Arrangements had been made by the embassy in Libya to have TWA fly in from Rome to the British airbase of Tobruk, which they did. We got on board, and for reasons unknown to me at that time, I was not permitted by the Egyptian authorities to return to Egypt. So, I escorted the group to Rome, and went on to Athens, where I spoke with the ambassador at the embassy. When those arrangements were made, I was put on a kappa boat and returned to Alexandria. That was it.

Q: Let's go before the Suez Canal was nationalized. Who was your consul general?

LAKAS: Donald Edgar.

Q: Was he an Arabic hand, or not?

LAKAS: No. I was not either. We relied entirely on local employees.

Q: You were there during the oust of King Farouk, weren't you? What was it like then? That was done fairly benevolently, wasn't it?

LAKAS: Yes it was.

Q: You put on the out, and the officers of the garrison saluted, and he steamed out?

LAKAS: That's right. He went onto a reasonably comfortable life in Nice, Cannes. I think the country was ready for a change. I had just gotten there. It was Thanksgiving, 1953. I didn't sense any trouble, because I was new to the area. Things seemed very peaceful. Life in Alexandria impressed me a great deal. Social life was very much what it used to be in the 1930s, a large community of Europeans, a really large community of Greeks, Armenians, people of Jewish faith. So, we went about our business in a very normal way. I don't know what the embassy was doing down in Cairo, but I know up there in Alexandria, we dealt with business as usual. We issued non-immigrant visas and immigrant visas. Shipping was a big thing for us, but our friends across the corridor handled that.

Q: You're talking about the CIA, yes. Did you find the hand of Egyptian authorities relatively heavy; the police, and all that, at that time?

LAKAS: It took some time for us to realize that we were under observation, that our movements were pretty well followed. But, I didn't sense any anxiety among the Europeans until much later, when we began to see clusters, of the properties of the local communities. In 1954, I think, we

began to see the change; the watershed change. We then knew that things were not going too well, between us.

Q: Were you seeing a growing sense of anti-western nationalism?

LAKAS: Yes. It was beginning to appear. Generally, when the economy of a country such as Egypt is not faring too well, those who are in the top levels reach out to divert the attention out of the population; to the Palestinian cause, to the western imperialism, to the effects of colonialism in that country. You don't watch what is going on in your pocketbook, you become emotionally involved in something else. So, we saw that happening.

Q: We had a post at Port Said?

LAKAS: Yes.

Q: Did you have much connection with that?

LAKAS: I didn't see the man, Cuomo, who was the consul, very often.

Q: When the Egyptians seized the Suez Canal, did things change?

LAKAS: Most everybody thought it would change. They thought that the handling of the shipping would be inept, that the handling of the transit would be inept, that the people taking over had no experience in managing a big corporation, such as the Suez Canal Company. But, seemingly, they did rather well. We had the Panama Canal on our side as well to deal with.

Q: I remember at the time, particularly, the British were putting out the idea that they have to do this because these Wogs won't be able to handle it.

LAKAS: Lloyd Henderson was thinking of creating an international corporation consortium that would collect the fees, and turn some over to the Egyptians, and whatever else, but it didn't work out.

Q: What about in Alexandria itself? With this action, this is when Nasser really changed the dynamics of the Middle East.

LAKAS: He was very unhappy with us. He was lead to believe that we would give him a lot of financial aid and technical assistance as well, to build the Aswan Dam, and a few other things. For whatever reason, this never materialized. I suspect that the lobbies here in Washington prevailed. I don't know which lobbies. He believed in the cry that came up from the Arabs. He posed as champion of Arabs, and he saw himself rising to the crest of being the main political Arab in the Middle East. Iraq was a kind of a sore point with him, but basically he wanted to see Egypt take off. We wanted to have something called the Iraqi...

Q: CENTO [Central Treaty Organization].

LAKAS: Thank you. CENTO.

Q: When we put together this equivalent to NATO, which went from Pakistan, Turkey, Iraq...

LAKAS: I stayed four years continuously. No home leave. The family would ultimately return to Alexandria in 1957, perhaps April or May. We took up residence again. Everything was normal on the surface, not so normal underneath. Then, word came in that I was being transferred and given my request to attend a university to further my education. So, they assigned me to Wisconsin University.

Q: Before we get to that, after 1956, was the police presence more apparent, and did you feel anti-Americanism, at least, officially?

LAKAS: Yes. It was humorous, in the sense that the disguised detectives downstairs of the consulate or in front of my house wore soiled Galiberes (gowns), but they had the most polished black shoes you ever saw. But, they were very kind to the children. Officially, we could still see the governor. Out of the area, we could call on the other ministers, but there was a cooling, it wasn't as warm as it used to be. They would accept to attend our receptions. I don't know what went on in other areas of our system, but I, as an FSS, about to be an FSO, dealt with other matters. When we went down to the governor to ask him to guarantee security for our people making their way to the port for the evacuation, it was almost given immediately. He told me privately he didn't want to see us leave. He liked America and he liked Americans. One could not help but feel that perhaps he saw us as an umbrella of protection, from the bomb coming down. There were two kinds of relationships. One was a very normal, long-time, friendly, Egyptian style friendship that had gone on for a long, long time. Then, suddenly, the superimposed, "Let's not be too nice to them." The word came from Cairo.

Q: What about during the Suez war, during the time you were there, helping to evacuate, were there over flights bombing or anything else, in Alexandria?

LAKAS: Yes. The British took care of that. They knew what they wanted to bomb. They had built most of these places, so they went to the barracks, they went to the garrisons, they went to the airports, they went to the port facilities, power plants. There were near misses of the consulate itself.

Q: What was the feeling from the people you were dealing with, the Americans, but also yourself about this, because as it became very apparent, the United States told the British and the French to cut out the nonsense, or we were going to cut off their water. The British found that they couldn't afford it. It created, probably the greatest breach we've ever had, between the United States and Great Britain.

LAKAS: Particularly in the light of a stress-rebel gannon, to send "volunteers" to Egypt. Also, by the fact that we had encouraged the Hungarians to rise up.

Q: This is during the Hungarian revolt.

LAKAS: Then, we pulled away. This was not good. We looked bad. The local community, the Americans who remained there, before going out with me, were very ashamed of what was going on.

Q: Did you get any feel about the Israelis, in Alexandria?

LAKAS: Not a single word. We didn't know where they were. We had one person of Jewish faith on the staff of the consulate, but speaking for myself, I did not know others existed. It was not my concern.

Q: Israel wasn't a big factor.

LAKAS: It was coming up from the other side. It was collusion, from what I was told. Therefore, they got so close to Cairo, that reportedly Nasser had arranged for a plane to take him out of Egypt.

Q: You left there when?

LAKAS: June 1957.

NORBERT L. ANSCHUTZ
Officer in Charge of Political and Military Affairs, Near East Affairs
Washington, DC (1953)

Deputy Chief of Mission
Cairo (1958 -1962)

Norbert L. Anschutz was born in 1915 and spent most of his childhood in Kansas City, Missouri. He completed his undergraduate work at the University of Kansas, and went on to graduate from Harvard Law School in 1935. He spent five years in the U.S. Army and then entered the Foreign Service in 1946. His career included posts in Greece, Egypt, Thailand, and France. He was interviewed by Charles Stuart Kennedy in 1992.

Q: Well, then, you left Athens in 1953 and moved rather quickly to Thailand. Is that right?

ANSCHUTZ: Yes. We went back to Washington and for a period of time I was the officer in charge of political/ military affairs for NEA. At that time we, of course, had continuing military support for Greece and Turkey, but the question of Egypt had become very active.

Q: Nasser was just appearing on the scene at that time.

ANSCHUTZ: That is correct. Nasser, I think, appeared in 1952. We had a period there when we were trying very hard to find common ground with Nasser. I think it is fair to say that in general

we were sympathetic to some of the objectives of the revolution.

Q: Wasn't that around the period when one of the most significant arms deal was made when John Foster Dulles presented a revolver to Nasser?

ANSCHUTZ: That may be true, I don't remember that. First let's all realize that Nasser was fanatically nationalistic and tended to be somewhat anti-Western because he felt that his country had been subjected by the British and the West. So Nasser in his early days was trying very eagerly to rehabilitate the Egyptian armed forces. There were very significant military equipment agreements with Czechoslovakia, which was very disconcerting to us. The United States had passed legislation which may have been the initial embryo that may have been in the Greek-Turkey Assistance Act, whereby under certain circumstances the United States would provide arms and assistance. But in order to provide arms and assistance, the host government would have to receive a US military advisory assistance group.

This became a great bone of contention with the Egyptians. In the first place they were bitter about our posture in Israel and secondly they did not want to receive a military mission. So, I think, Ali Sabre, who was one of Nasser's right hand men, some sort of counselor in the Presidency, came to the United States and no progress was made. Then, at a later time, I was sent out to Cairo to talk to Ali Sabre. My recollection is that Dulles was quite prepared to provide arms to Egypt, but one of my tasks was to make it clear that under the legislation he had no alternative but to insist on an acceptance of an American military advisory group in Egypt. My few hours with Ali Sabre were futile.

Q: Oh, then you wouldn't have been there during the crises. Well then you went to Cairo. How did you feel about going to Cairo?

ANSCHUTZ: Well, I think in general I was pleased to go and it turned out to be very interesting. It was the longest tour of duty I had at one time at one place.

Q: It was 1958-62.

ANSCHUTZ: That is correct.

Q: The ambassador was?

ANSCHUTZ: Ray Hare was the ambassador when I arrived and then I had Freddie Reinhardt and then John Badeau.

Q: What was the situation? This was two years after the Suez business. Nasser was in full power. What were our interests there and concerns?

ANSCHUTZ: I think at the moment we would say it was to try to hold what position we had. Relations were not warm or cordial with the government. This was the period of the positive

neutralists...Tito, Sukarno, Nehru and Nasser. Of course, Nasser was marketing his Arab nationalism at a tremendous rate.

Q: During part of 1958-60 I was in Dhahran, Saudi Arabia and everywhere you went there were pictures of Nasser on thermos [ph] files and everything else. He was a tremendous influence.

ANSCHUTZ: Oh, yes, tremendous. As you know subsequently he got himself involved in the Yemen and got somewhat bruised in the process. Of course, because of his positive neutralism he had to take a very strong position in the Congo where we had a very serious clash of interests, because he was supporting Lumumba and we were not.

So we had periodic spontaneous manifestations outside the Embassy when...my wife always likes to tell the story that when she was coming down to the Embassy and was trying to get in when we had a spontaneous demonstration in front which said, "Down with the USA. Down with the USA." They were all filing pass and the car was waiting to try to get through. One of the demonstrators talked to Said, our driver, and said, "Are you an American?" Said said, "Yes." He said, "I love America. Down with the USA."

Q: We used to call them rent a mobs when I was in Yugoslavia. They would have these demonstrations for their brothers in the Congo. As a Yugoslav, if he did know where it was, he probably didn't like them.

Did you have dealings with Nasser? What were your impressions of the man?

ANSCHUTZ: Yes, I had a few dealings with Nasser. I was Chargé on a number of occasions, not only because of the changes but because of absences of the ambassador. So it was a situation not unlike Bangkok where because of the circumstances I had the exposure to people. We had the occasional aid agreement so we knew the Minister of Economy well. Of course we knew the people in the Foreign Ministry. Here again this was the situation where the Foreign Ministry was frequently not as important as the Presidential staff where they second guessed everybody on the political level. That was where Ali Sabre was. There were other people whose name don't come to me at the moment. Some of these I used to see and try to cultivate from time to time.

Nasser, of course, was extremely full of himself in those days. It was his high period. In a way it was awkward socially because he was nationalizing everything in sight and the people one met socially were usually people who were impacted by his policies. I had occasion to escort the Secretary of Commerce, or whoever it happened to be, around to make a courtesy call on Nasser.

One of the people who was highly cultivated by parts of the Embassy was Mohammed Heikal, who was the editor in those days of Al-Ahram, but one of the closest advisors to Nasser.

Q: Al-Ahram was the major newspaper.

ANSCHUTZ: Right. We saw people like that. The military people used to see their opposite numbers from time to time. There was still in existence some of the old school politicians who were in the political cosmic, but mostly critics. They were sources of information and

assessment.

Q: When you took people to Nasser did he come on strong? Was he trying to sell himself? Was he pugnacious in dealing with Americans?

ANSCHUTZ: No, I wouldn't say he was pugnacious. He could be quite gracious and smile and say the standard things. I suppose it was fair to say that he would have liked to have been friendly with the United States if he could have done it on his own terms.

Q: Did you ever run across Anwar Sadat?

ANSCHUTZ: Only rarely. In those days there was another ritual when an international leader visited Cairo. The diplomatic corps would be dragooned to go out to the airport to meet him. Tiresome as that might be, it did provide an opportunity to meet senior Egyptian officials who were out there. It did have its useful aspects.

Q: This was before the 1967 Six Day War. What was our assessment of Soviet influence in Egypt? Did we feel that they were a tool of the Soviets?

ANSCHUTZ: I am not sure it would be accurate to say they were a tool, but that they had a very close relationship is undeniable. Of course much of the military assistance in that period came from the Soviets. There were a number of senior people who had served in Moscow.

Q: One of the things that has often been pointed out or claimed was that there was a bias by the Arabist against Israel. You were able to go there without any particular feeling one way or another on this. What was your impression of the people who specialized in the Arab world in our Foreign Service in their view towards both the situation in Egypt but also towards Israel?

ANSCHUTZ: I know very few people who I considered to be expert in the Middle East who don't have serious reservations about our policy vis-a-vis Israel.

Q: Was this based on being opposed to Jews in particular or because with problems of Israel, itself?

ANSCHUTZ: As you are well aware the Arab world takes this all very personally and the performance of the Egyptians in the 1947 war certainly left a festering memory. Then, of course, you had the whole later problem of the Gaza Strip, Sinai and other direct Egyptian involvements. I don't think, in my view, that the Egyptian attitude was much different than that in other countries.

Q: One is sitting in Cairo and you read the telegrams that go out from Tel Aviv as well as from other posts in the area. What was your impression? Did you feel our Embassy in Tel Aviv was reporting well or was a captive of...?

ANSCHUTZ: Now that you mention it, I don't have much recollection of reporting from Tel Aviv. From Damascus, Jordan, Saudi Arabia, but I don't remember very much from Tel Aviv.

Perhaps a Weeka, which was a weekly roundup.

Q: During part of this time I was in Saudi Arabia and we kind of had the feeling that the Egyptians would be delighted to overthrow King Saud. What was the feeling towards Nasser not only being an influence but also messing around with other governments such as Saudi Arabia?

ANSCHUTZ: You mean in Egypt?

Q: Yes. Our view of what the Egyptians were doing.

ANSCHUTZ: Well, I don't think we looked upon it with great favor. The Egyptians, as they always have been and still are, are very short of resources. We felt that their energies and activities would be much more profitable if they were focused on their domestic problems, but Nasser's positive neutralism and pan-Arabism, which he was the apex, demanded that Egyptian influence be deployed in the area to a very important extent.

Q: You had three ambassadors there. First was Ray Hare who was a well-known specialist in the Middle East. How did he operate?

ANSCHUTZ: Ray had very deep experience and was very low key, very understated. But he had a tremendous knowledge. He was somewhat more philosophic...if you just wait the situation will change.

Freddy Reinhardt was more the alert, experienced diplomat.

Q: He had been in a number of places, Vietnam and eventually ended up in Italy.

ANSCHUTZ: That is right. He tended to be, with the exception of Vietnam and Egypt, a European hand. I think he was to a certain degree a Russian language officer. I don't know how fluent he was. He was very personable, alert and a fully experienced professional diplomat.

John Badeau, who had spent many years as a missionary in Iraq, was probably the one with the deepest knowledge of the Arab world. Ray Hare had a lot of experience and time in the Arab world and it is very difficult to try to compare them. But in a certain sense I think Badeau's prior role as preacher...

Q: Had he been President of the American University in Cairo?

ANSCHUTZ: He had at one time. I think from that particular perspective he was very well qualified. He, too, I think, was quite a good ambassador.

Q: Did you sense a difference when the Kennedy administration took over? The relationship with Nasser had always been one of the sort of debatable ones. I heard it said that at one point there developed an almost visceral dislike between Dulles and Nasser.

ANSCHUTZ: I am sure that is true.

Q: Did you ever feel that the Kennedy administration when they came in were ready to try a new tact?

ANSCHUTZ: Yes, I did, very definitely so. One of the professional joys that we had in the Embassy was that you would have all these unofficial visitors who would come in and see you. They would say, "I don't want you to do anything about it. I have a few friends here in the Presidency I want to talk to. But please don't take any notice of me." Then you would find out after a day or two that they had conversations with people you had been trying for weeks to contact.

Q: Who were these people?

ANSCHUTZ: One of them was Bob Neumann. Do you know Bob Neumann?

Q: Well, he later was ambassador to Saudi Arabia and Afghanistan.

ANSCHUTZ: He was an academic from some place in California in those days. Then a fellow by the name of Polk who used to have something to do with the foreign relations apparatus in Chicago, their equivalent of the Council on Foreign Relations. Then a couple of clerics. The Bishop of Washington, whose name I have forgotten.

Then they would come back having seen somebody of importance and might say, "Oh, I saw Colonel so-and-so last night. Very charming fellow. We had a lovely time. You know what I really think is that they just need a little massaging." That kind of thing was what we had at the change of administration.

Q: These were the people from groups that take impetus from a new administration.

ANSCHUTZ: They had some kind of connection with the administration, who knows what.

We had business people come in too. We had serious problems. We had a spontaneous pro-Lumumba manifestation in Cairo, in the course of which they thought it proper to burn down the USIS library. We, of course, as dutiful diplomats immediately dropped them a Note requesting compensation. Nothing happened. When the Kennedy administration came in Freddy Reinhardt was sent to Italy. We discussed this and I said, "One thing that we have to do before you get out of here and you make your farewell calls, we have to find out what happened to our Note. We haven't had any action on this at all." Occasionally businessmen would come in as a result of potential new programs under the Kennedy administration. So we went over to see Hussein Sabre, who was Ali Sabre's brother and a fairly poisonous type. He was Deputy Foreign Minister. We asked him about the Note and he said, "Oh, I am very sorry. You never should have put that into a Note. There is nothing we can do about that. It would be very embarrassing for us to do anything about that." We duly reported and Freddy went off to Italy. I was in charge and these people were coming in wanting to profit from what they thought would be new aid programs.

When Nehru came to Cairo I went out to the airport, as I have described, and Ali Sabre was there. I said, "You know, there has been a lot of talk that this administration would like to do something in terms of providing assistance, PL 480 assistance to Egypt, but we have this problem of compensation for our USIS library. I am not in any position to recommend that we move forward on aid until we can resolve this issue." He said, "Well, come and see me in my office." So I went out to the Palace, where his office was, and he gave me the same line that his brother had given me. It was just too bad that we had to make it a matter of record, because there was nothing they could do. I said, "Look, there is no problem about this." I picked up the Note and tore it up.

So I went back to the Embassy. After some time my secretary said there was a Mr. Mohammed here who would like to speak to me. I didn't know who Mr. Mohammed was, but in comes this little man carrying a briefcase and wearing a black homburg hat.

Q: A real bagman.

ANSCHUTZ: He came into the office and opened the briefcase and counted out whatever it was...50,000 Pounds, 100,000 Pounds, I don't remember what it was. I signed the receipt. He replaced his hat, left and was never seen again.

Q: Had the UAR, the United Arab Republic, been created by that time?

ANSCHUTZ: Oh yes.

Q: How did we view that? At that point it was Syria and was Yemen included in that?

ANSCHUTZ: No, the first days it was just Syria.

Q: How did we view that thing?

ANSCHUTZ: I don't think we were particularly upset by it. But I think a lot of Syrians were upset by it. Poor old Pete Hart, who I succeeded as DCM in Cairo, was supposed to be ambassador to Syria and became a consul general.

We went over to the Syrian region from time to time.

Q: But you never took it very seriously?

ANSCHUTZ: No. But for administrative purposes we had to make the visits. Then, of course, there were periods of tension [static on tape drowned out voice]

Q: Was this considered the fact that for a while then Syria and Egypt were under the same government.[static]

ANSCHUTZ: I suppose marginally but

[static drowned out voice]

Q: So you left there in 1962. We will pick it up here later. Today is February 2, 1993. This is a continuing interview with Norbert L. Anschutz. We got you out of Cairo. Just one thing, when you left Cairo, how did you feel the situation was, this was in 1962, what did you feel it was going to be doing in the area?

ANSCHUTZ: Well, the so-called UAR was already sagging under the strain. Ironically, Pete Hart, who was my predecessor as DCM in Cairo, had been scheduled to go to Syria as the ambassador. But when the UAR came along, Pete found himself as consul general in Damascus, technically under the Cairo Embassy. Pete, of course, managed everything with his own hands in Damascus. But structurally it was a bit ironic that he should leave Cairo to go on to greater things and find himself as consul general in Damascus.

In that period, 1962, we had a change of administration. The Kennedy regime had come in. There was a great deal of talk about new relations between the incoming administration and the governments in the area. Of course, one of the manifestations of this was an increasing number of visitors to Cairo.

Q: When you left, did you see Nasser as leading a big jihad against the West or that there was bound to be a war against Israel?

ANSCHUTZ: The tension with Israel was obvious and continuing. Nasser had made his great play to be one of the leaders, if not the leader, of the non-aligned group. Egypt was involved in supporting the so-called liberal democratic elements in the Yemen, which, of course, was creating apprehensions on the part of the Saudis as well, of course, as the outright enmity of the Aman and ruling factions in the Yemen. The Egyptians, of course, took a very strong view of the developments in the Congo and they were ardently supporting Lumumba. Those activities, of course, also created tensions between the United States and the UAR.

Q: As you left was it your impression that Nasser was a force that really was going to eventually get the Arab world really aligned against the United States, or did you see him as having limitations?

ANSCHUTZ: He obviously had a tremendous influence in the Arab world, but then, as now, there were vested interests in various countries which were basically antithetical to Nasser. The ruling group in Jordan, Iraq, and Libya. Libya less because Qadhafi regarded Nasser as one of his models and heroes at that time. There was also, of course, the problem of the French-Algerian relations. Cairo was also a mecca for many of the Algerian nationalists who later participated in the Algerian government. But I think the economic programs of Egypt were already beginning to burden the regime and the limitations of Nasser's approach to many of these area problems had resulted in basically rather tense relationships, I think, between Nasser and the Western powers. At that time, of course, the Soviet Union and the Soviet Bloc were actively supporting Nasser. But I think while no one was prepared to discount Nasser, one had the feeling that the internal problems and strains on the regime, much of it economic, were already limiting the scope of the role that Nasser and Egypt could play under the circumstances.

Q: What about the relation with Israel? Was it a matter of acceptance that there was going to be another go round between the Israelis and the Egyptians?

ANSCHUTZ: Yes, I think it is fair to say that. No one knew exactly how or when another conflict would break out, but no one was prepared to accept the status quo. Nasser, of course, was very much interested in improving the capacities of the Egyptian armed forces. Those were the days when Egypt was still receiving military equipment from Czechoslovakia and the Soviet Union. Yes, the Israeli-UAR tension was a common element of the total situation.

Q: While you were there you must have been getting reports from our military attachés. What were they saying about the Egyptian army?

ANSCHUTZ: In the first place my impression is that they were well aware of the efforts the Egyptians were making to improve themselves. I don't think they were dazzled with the inherent capacity of the Egyptians. But Egypt was a large country and was receiving foreign military assistance and certainly was not a thing, given the regional context, which could be discounted. Again, I don't remember any particular assessments which I could cite.

FRASER WILKINS
Director, Near East Affairs
Washington, DC (1955-1957)

Ambassador Wilkins was born and raised in Nebraska and educated at Yale University. He entered the Foreign Service in 1940, where he became a specialist in Middle East Affairs. His overseas posts include Halifax, Baghdad, Tangier, New Delhi and Teheran, where he served as Minister/Counselor. In his several assignments in the Department of State in Washington, Mr. Wilkins dealt with Middle East matters. He also served on the Policy Planning Staff and as Inspector General of the Department. In 1960 he was appointed Ambassador to Cyprus, where he served until 1964. Ambassador Wilkins was interviewed by Peter Jessup in 1988.

WILKINS: That whole subject is fascinating. It was during 1955, you know, when it first became apparent that the Russians were shipping arms, through the Czechs, to the Egyptians. And the Egyptians were paying for it with Egyptian/Sudanese cotton. Simultaneously, the United States--under Eugene Black at the World Bank--Germany, Britain, and other European powers were considering the financing of the Aswan Dam. Even the Egyptian foreign minister came over from Egypt to discuss this with Mr. Dulles. My wife and I took Kaiseni, the Egyptian finance minister, out to the Redskins one Sunday afternoon.

To get back on the track: Dulles was very much in favor of the Aswan Dam, particularly being prompted by Eugene Black. Black thought it was a great opportunity for the United States and European powers to do something important in Egypt, because of its overpopulation problem, and because of its lack of food.

So this Aswan Dam, which had been on the books for many years, was projected, and it was estimated that it would cost something like 1.3 billion dollars, of which 400 million would be paid for by the United States and European powers. And 900 million, in Egyptian pounds, would be paid for through labor by the people of Egypt. And it was staffed out by the Army Corps of Engineers, and other experts.

It turned out to be a complete fiasco. As the world knows, in the fall of '56, when Dulles became aware of the arm shipments to Czechoslovakia to Egypt, he made a statement withdrawing the Aswan Dam offer "for the time being." This is ignored by American and other historians. But the fact of the matter is that Dulles received information in the form of an amendment, I believe, to one of the appropriation bills, saying that no more aid for Egypt if he went along with the Aswan Dam. Congress was nervous about our spending so much money Out there, in the form of aid.

This is the real reason that Dulles made that statement. He was prompted by the fact that our relations with Nasser were going from bad to worse. Hank Byroade who was the American ambassador, was having increasing difficulty with Nasser, and eventually they had to move Byroade from Cairo to South Africa, thereby upsetting Tom Wales. He went to Hungary and then he came to Iran to be my boss there.

The Egyptian ambassador announced in Cairo, before he'd been on consultation, that Nasser was looking with favor on acceptance of the deal with the World Bank. Dulles, having the message from Congress in the meantime, was forced to make the statement that he did in the fall of 1956. After that the Russians picked up the deal. Instead of being a 1.3 million dollar project, it became a 600 million dollar project under the Russians, and had never been extended.

As a matter of fact, it's been a fiasco for them, too, because the Aswan Lake is much longer--it's 300 miles long--than was expected. It has more evaporation than was expected; it has [inaudible] built into it; and malaria has returned. The dam will probably overflow in another 5-10 years, because of all the sludge piling up behind it, unless they can let the water off in some other way. They couldn't build enough electricity for Egypt. The river below the dam, going into the Mediterranean, is now so clear it has undermined all the bridges and banks, and they're collapsing. And there are no more shellfish at the mouth of the Nile and the Mediterranean.

So, that's why I said at the beginning, that it's incomprehensible to me that this project could have been staffed-out by the Army Corps of Engineers and other experts before hand. The same thing happened on the Helmand River, between Afghanistan and Iran. I discovered when I was in Iran from '57 to '59 that that project, too, had not been properly staffed. The waters that were supposed to flow in the Helmand River, primarily through Afghanistan into Iran, had not been properly staffed. The water, when the dams were built, was allowed to remain on the land; and all the salts were deposited there, and bleached out. So that was that.

The same thing happened in Iraq, where I served from 1942 to '44. If you fly over the land by plane--as I did with an oil geologist named Snodgrass...And he said, "You can just see that this land is underlain with oil, because of the anti-climbs, and the mounds indicating the oil deposits underneath." And he said, "You can also see the outline of the terraces that were built by the

Romans. They were blown up in the Middle Ages, probably, and all the water was allowed to stand on the land, so it's become less fertile than it used to be. Probably Iraq supported a population of 30 or 40 million, but there are only 8 million today. So it just shows that even back in Roman times, as in our times, they didn't have very good staff engineers.

So much for the Aswan Dam. I wanted to say this about it, because I want to support Dulles. I think his intentions were correct. He thought it was good for the Egyptian people, but he was blocked by Congress in the long run. And then, of course, he was misled by the British, French, and Israelis in their intervening, and also by the Russians supplying arms to the Czechs through the Egyptians at that point. But Nasser was really on his last legs in '56, and he was lucky to survive in those circumstances.

But I wanted to add that about Dulles, because he was much maligned, I think, in the history books.

EUGENE H. BIRD
Political Officer, Israel-Jordan Desk
Washington, DC (1955)

Commercial Attaché
Cairo (1965-1967)

Eugene H. Bird was born in Spokane, Washington in 1925. He was in the U.S. Navy from 1943 to 1948. He attended the University of Washington, receiving a B.S. degree in 1948 and a M.A. degree in 1952. Mr. Bird's overseas career included posts in Israel, Lebanon, Saudi Arabia, Egypt, and India. He was interviewed by Charles Stuart Kennedy in 1994.

BIRD: Actually, it was 1955 before I was assigned to the Israel-Jordan desk. I remember the date: it was February 18, 1955, because the Israelis had just run a massive retaliation operation against the Egyptian Army in Raffia, in the Gaza Strip. They killed 47 Egyptians. Immediately, Nasser was on the telephone to the American Ambassador [in Cairo], saying, "I cannot stand this any more. One or two people are killed inside Israel, and the Israelis run an operation against the very forces which are trying to prevent this from happening. I've got to have arms for my Army. They are the key to Egypt, politically, and here's a list" [of what I need]. For the first time he asked for jet aircraft, which didn't have much to do with defending Gaza from the Israelis. However, as you know, it's a "one upmanship game" in many ways.

So that request ended up on my desk because the Egyptian desk officer hadn't had much experience in munitions control, whereas I had. So we bounced this request back and forth in early 1955. By June, 1955, the Egyptians were back [in touch with us], insisting that they had to have an answer. Henry Byroade was the U. S. Ambassador to Egypt at that time, and he wrote the longest telegram I had ever seen. Maybe it's the longest telegram ever sent. It was a long analysis of what the Egyptians might do and should do. Simultaneously, we were being asked to

support an Egyptian request to the World Bank to finance the construction of the Aswan high dam. There were problems with this.

Looking back on this, I think that Nasser had decided that he was going to let the West "have" the economy of Egypt and obtain his military equipment from the Soviet Union, if necessary. He would accept military material from the West if the Western countries agreed to it but he probably had already decided that it wasn't going to be possible to rearm Egypt with the West, and particularly the United States, providing the equipment.

Secretary Dulles had visited Egypt in 1954. Naguib was still alive and still the nominal head of the [Egyptian] government. He had presented to Naguib, I believe it was, not Nasser, a six-shooter, because he was a military man. There was a famous picture of Dulles presenting this six-shooter to Naguib. Later on -- several years later -- Dulles was asked whether he would agree to go to the ceremony at which the King of Morocco was recognized as the sovereign of an independent country. It was suggested that he take a Winchester repeater. He said, "Oh, no, you're not going to do that to me again." [Laughter]

That was the atmosphere in which the Egyptian request for arms arrived. The Israelis, of course, were beating on the door, saying that they needed defensive arms.

Q: We were not supplying the Israelis with arms at that time?

BIRD: We didn't supply anything to anybody [in the Middle East]. We had the Tripartite Agreement [of 1950 with the British and the French], which said that the who were the only real arms suppliers at that time, agreed not to sell arms to the Middle East. [Supplying arms to Egypt] would have been a violation of that agreement. At that time no one thought of arms as being an important part of trade. It was only later on that pressure was applied to policymakers to see to it that [their respective country] got a "fair share" -- and usually a dominating share, if it was the United States, Britain, or France -- of the market for arms in any particular country or region, whether it be Saudi Arabia or wherever. [Approving arms sales] became almost an economic consideration, rather than a political or military matter.

At this point this was not quite true. It was quite the opposite, in fact. We were quite "moral" about our arms sales. [The view was that] the more arms in a given area, the greater the chance that there would be a "little war." And we didn't want a "little war."

We knew that, in fact, the Aswan high dam would have an impact. We knew that Nasser wanted that, above anything else. He wanted Western economic contacts, even though they talked about socialism, Arab socialism, and so forth. Nasser really wanted the West to be involved [in the Egyptian economy].

I was in the Department on the Israel-Jordan desk on the day that [Egyptian] Ambassador Hussein, I think it was, came in, expecting to [be told that the U. S. would support construction] of the [Aswan] high dam. I can't remember the exact date, though it would be easy to find out. It would have been in the summer of 1955. The reporters caught [Ambassador Hussein] on the way in [to the State Department]. He expressed great optimism that [an agreement] would be signed.

Then he walked into the Department, where Secretary Dulles told him -- and this was under pressure, I think, from pro-Israeli Senators, Congressmen, and so on. Dulles knew that he would have a difficult time getting it [legislation approving an arms supply for Egypt] through Congress. I think that another reason was probably also connected with the arms list which Nasser had presented. Dulles told Ambassador Hussein that we were not going to support the construction of the Aswan high dam and that we thought that it would be an ecological disaster. So [Secretary Dulles] gave [Ambassador Hussein] a complete turn down. I remember Ambassador Hussein coming out of that meeting [with Secretary Dulles] absolutely astonished and depressed. He didn't have anything to say and didn't know what to say. He went back to Cairo and was never heard from again.

Nasser took that [the turn down on American support for the construction of the Aswan high dam] as a direct insult and humiliation, because they [the Egyptian Government] had been putting out the line that the West would support the construction of the high dam, that they had good relations with the West, and so forth. I think that this was the moment when Nasser decided really to confront the West and obtain military aid from the Soviet Union.

Q: I found that this was very much the case. You left Dhahran in 1965 and went to Cairo. What were you doing in Cairo?

BIRD: I was the Commercial Attaché there. We spent almost two years there in Cairo. It was a much larger civilization, of course, and a very fascinating one. I got involved in attempts to improve the private economy of Egypt, which was almost non-existent at the higher levels. At the lower levels it was functioning very well. Most of the vegetable stands in central Cairo were operated by Palestinians from the Gaza Strip -- to show you how well they compete. In those days there was an open border [between Gaza and Egypt] and you could go up to Gaza and return, and so on. The United Nations had a presence there. I went to Gaza just before the 1967 War began. I was the last American Foreign Service Officer to visit Gaza [before the war].

Q: This was in June, 1967?

BIRD: Yes. I went there in early May. About a month later the war broke out -- on [Monday] June 5, 1967. The fact was that I love sailing and so I loved Cairo, as it is on the Nile River. We found an Egyptian friend who was an architect who had designed the first modern ministry in Riyadh [Saudi Arabia]. He had converted an old British torpedo boat into a very fancy yacht. It was a quite interesting design. We went on the boat all the way down to Suez, through the Sweetwater Canal. That was one of the great trips I made. We would be going along the Canal and look over, and here would be MiG aircraft taking off. This was maybe three or four months before the war began.

I got to know the Egyptian military situation pretty well. We went out into the Western Desert and South to Assiut. I went down to the Red Sea and Hurghada and so on. I traveled around a lot.

I got to know the Egyptian public sector companies that had been owned previously by Jewish and Egyptian merchants. These companies were engaged in importing materials from the Soviet Union because of the "bent" of the economy and the amount of commodities that they were exporting to the Soviet Union, including Egyptian cotton, taking Russian goods in exchange. Some of the [company officials] told me that they'd go to Moscow perhaps a couple of times a year. So I would talk with them. Of course, I didn't take them very seriously on this subject. However, they had nothing but derision for the Russian economy. They just didn't feel that the Russians had any modern economy at all. Even though they were Egyptian public officials, they wanted to be working out of Paris or Beirut or working with the United States.

Q: What did the Commercial Attaché do in an economy which was so heavily weighted toward the public sector? The financing was coming from the Soviet Union, and the economy was "socialized" in a certain sense. What could you do?

BIRD: Well, [Egypt] had oil, so that was a perfect situation for me. We had two [American] oil companies operating, and they looked quite successful. In fact, the head of one of the companies was received by Nasser and given a fantastic, jeweled belt after his company found the oil. The oil was terribly important to Egypt, of course. That and the [Suez] Canal was all that they had. Egypt was beginning to look as if it was going to become a major oil producer. [In fact], they haven't become [a major oil producer]. It looked as if there might be a chance that production would reach the level of one million barrels of oil a day or more.

Egypt at that time had 32 or 33 million people. Now they have more than doubled that. Cairo had maybe two million people then. Now it's perhaps 10 or 11 million or something like that.

It's too bad that oil exploration didn't continue. Of course, for some six or seven years they lost all of their oil to Israel. Israel exploited the fields [off Sinai], taking several billion dollars out of the Egyptian economy and away from the Egyptians.

[In terms of American investments in Egypt] we had the airlines, insurance companies, and oil companies. We had, of course, the American University of Cairo and NAMRU, the [U. S.] Naval Medical Research Unit. Quite a few important American companies were there. They weren't doing the kind of business that they should have been doing, but that was one of the reasons that I was there -- to try and help them, one way or another. I'm not sure that we provided them with all that much help. However, if things had continued along the lines we were traveling, they might have discovered a little bit more oil. [If this had happened], I think that Egypt would have opened up much earlier and gotten away from socialist ideas.

On [Monday] morning, June 5 [1967], the head of Pan American Airlines came rushing into my office, saying, "The Egyptians are crazy. They're pretending to attack their own airfields out here. There is a bunch of aircraft with 'Star of David' markings on them, but I know that they are Egyptian aircraft." He couldn't quite believe what was happening. The next report I had was that someone from Alexandria said that the airport on the opposite side [from the civilian airport], that is, the military airport, and all of the [Egyptian] bombers were burning. So we knew then that war had started.

When Moshe Dayan joined the Israeli Government on the previous Friday, [June 2, 1967], they [the Egyptians] told [U. S.] Ambassador Nolte that that was it and that they were going to go to war.

Q: In dealing with the Egyptians, and particularly the Egyptian Government, what was their attitude toward the United States?

BIRD: Well, they had allowed the [United States Information Service] library to be burned. There had been the incident when Israeli spies were sent into Egypt to try and ruin relations between Egypt and the United States. This happened in the early 1960's. We had given Egypt wheat to try and wean them away from their adventurism in Yemen. This didn't work. The burning of the [U. S.] Embassy and the trial of the Israeli spies -- all of this had caused a lot of problems between us. There wasn't any doubt. Ambassador Battle...

Q: This was Ambassador Luke Battle.

BIRD: Battle was, of course, still there [in Cairo] when I arrived [in 1965], and he stayed throughout 1966. He had a lot of "clout" in Washington at this point. After all, he had been General Marshall's assistant and he had a good "track record," so that they listened to him [in Washington], and the Egyptians listened to him [in Cairo]. I think that there is sometimes an argument for a "political" ambassador in a situation of that kind. You can see that an ordinary, "professional" ambassador probably wouldn't have had the same relationship with Gamal Abdul Nasser. We didn't see much of Nasser, of course, at our level. The people that I dealt with [were] in the Foreign Ministry and the Ministry of Commerce and Industry. [There were] substantial trade shows [in the area]. I went over to the trade show in Tripoli, Libya, and we had the annual trade show in Cairo, which was one of the big ones.

Q: Could we do much because of the Arab boycott of firms which had relations with Israel?

BIRD: We didn't have many problems with that. Most of the [American companies] had found ways to get around that [the Arab boycott]. There were two large [American] companies which got into trouble while I was there [in Cairo]: Coca Cola and Ford. They sent their vice presidents rushing [into Egypt] and jumped through investment hoops, shall I say. [They said], "We will invest more money. We will expand the Ford plant in Alexandria, we'll give Egypt a concentrate plant for making Coca Cola," and so on. But they were ideologues in the Egyptian Government. I think that all of those attempts failed completely.

I knew both the Ford Motor Company representative, an Egyptian, and the Egyptian who held the Coca Cola franchise, you might say. Of course, they were trying to exercise damage control [over the situation]. They were the people that we tried to work with in terms of keeping Ford and Coca Cola off the [Arab boycott] list -- or, rather, get them off the list because they were already on it by that time. Nothing worked. I believe that they had some 12 million Coca Cola bottles [in stock], which they converted to another Cola product. [The Coca Cola representative] didn't want to replace all of those bottles again. He tried to use [the old Coca Cola bottles for the new Cola drink]. Of course, that became an issue, because those bottles were copyrighted. So there were things of that kind.

Q: What happened to you during the 1967 War?

BIRD: Regarding into the 1967 War, after I had come back from the Gaza Strip a few weeks before, [the Egyptians] moved a division or two into the Sinai. We knew that it was going to be a very serious confrontation. By this time, if we had been willing to start negotiations with Nasser on providing more grain for him, there probably wouldn't have been a war. He probably wouldn't have done what he did in terms of trying to play a game of threatening to get attention. I don't think that he ever had any intention of actually invading Israel or sending large numbers of troops up to Gaza because that was a no-win situation. He was going to lose in any case. I think that he probably was rational enough to know that his army was not capable of taking on the Israelis.

The number of troops he put across there was only about 15 to 20,000 who crossed into the Sinai. If you've ever been in the Sinai, you know how everything is channeled through only about three or four roads. Those troops were "dead meat" [for the Israelis] unless they had substantial air coverage. Of course, Nasser lost his air coverage right away. I think that some of the [troops in] the Egyptian Army knew this also.

In the "run up" [to the war] Ambassador Nolte had finally been sent out. There had been no ambassador there for six months. Nolte finally got on board the plane and came in. He tried to downplay the crisis. I'd known him briefly in New York when I was working on Antonius at the Institute of Current World Affairs. He was head of [the institute] at that time. He essentially found himself in a situation where Washington was not paying much attention to him, as Ambassador. Furthermore, there wasn't a lot of leverage on the Nasser regime to get them to back down. I know that Dick Parker's book probably describes [the situation] in much greater detail than even I knew at the time, because, of course, a lot of the archives are open now.

So on the previous Friday [June 2, 1967] before the "kick off" of the war on Monday [June 5, 1967] we'd had a big meeting in the "safe" conference room in the Embassy, and everybody expressed their opinions. I said, "Well, it looks to me that, since Moshe Dayan has been appointed [as Israeli Minister of Defense], Israel is going to go to war."

You knew, of course, that the Secretary General of the United Nations [U Thant] contributed to this...

Q: By being precipitous in pulling [United Nations] troops [out of the Sinai]...

BIRD: Whether Nasser really expected him to do so or not, is still kind of a mystery. I don't know whether anyone knows. Anyway, the ball went up on Monday morning [June 5, 1967]. We began evacuating three days later [June 8, 1967]. Why don't we leave it there?

HENRY BYROADE

**Ambassador
Egypt (1955-1956)**

Ambassador Henry Byroade was born in Indiana in 1913. He graduated from West Point in 1937. He served in the Hawaiian Islands from 1937-1939. While still in the service, he received a master's degree from Cornell in 1940. In addition to Egypt, his Foreign Service posts included South Africa, Afghanistan, Burma, the Philippines, and Pakistan. He was interviewed by Niel M. Johnson on September 19, 1988.

Q: You were Ambassador to Egypt in '55-56 and that's when the Suez crisis emerged.

BYROADE: That's right.

Q: You did manage to find the hot spots.

BYROADE: Well, the hot spots started before Suez. When I got to Egypt, [Gamal Abdul] Nasser wanted to see me the first night. I hadn't presented my credentials. This went on for about three or four nights until after midnight. The Baghdad Pact had just come into being and he was terribly upset that it was all our idea, which it wasn't. He thought that we were determined to split the Middle East, you know, with the historic differences between Egypt and Iraq, and that we had chosen Nuri es-Said of Iraq as our chosen instrument, whom he looked upon as being a British stooge. He was terribly upset. Then the day after I got to Egypt, Israel came across the border, which had been fairly quiet since '48. Nasser had a headquarters there, but not military troops. Israel wiped them all out. This really set up the demand for arms in Egypt, and I felt so badly about it. Later I said to Abba Eban, a good friend of mine, Israeli Ambassador to Washington, "Damn it, I told you I'd do what I could do out there, but you didn't give me 24 hours before you come charging across the border."

Now, the Egyptians felt, and I agreed with them, that that was a very decisive move. The Israelis looked upon Nasser as a possible unifying force in the Arab world, which to some extent he became, and they didn't want to see that happen. I think they were trying to weaken him before he really assumed that position. This set up a demand. The Egyptian military had been left with sawed-off British parade-ground pieces, and they didn't really have anything. It set up a request on us for arms which we never took seriously and led to Nasser getting weapons from the Soviet Union.

Q: You had had some conversations with Ben-Gurion; you mentioned that when you were in the Truman White House. Did you have a number of meetings with Ben-Gurion, or were you just talking about once or twice?

BYROADE: That was May of '52, May of '53, and back there again in '54. I would guess three or four times.

Q: Did you see eye-to-eye with Ben-Gurion on anything? Was there a meeting of minds on at least some policies?

BYROADE: Well, of course. Ben-Gurion was an admirable leader, and he was doing a lot for Israel. Where I disagreed with him was the basic philosophy of trying to live with their neighbors in the Middle East.

Q: Who would he have had to deal with? Now we have the PLO which they don't want to deal with. There wasn't a PLO at that time, was there?

BYROADE: No, there was not.

Q: In other words, you were recommending that he deal directly with the governments of, what, Jordan, Syria...?

BYROADE: Well, this was after I got to Egypt. Nasser was the most sensible Arab leader on the subject of Israel; this is in the beginning before Suez and our later troubles with Nasser. In the beginning Nasser was trying to rebuild a different kind of Egypt; he thought a better Egypt. Later on he got involved in Yemen and all over the Arab world and so on. But in the beginning we weren't really having any troubles with Nasser. I talked to him hundreds of hours on the Arab-Israeli problem. In a way he was more reasonable than any Arab leader at the time. Now, there's a reason for this. Until that attack, which happened the day after I got there, Egypt and Israel had never had any border problems really. They were a little farther away, and we didn't have that kind of public opinion problem. The "Fellaheen," the Egyptian farmer -- he didn't have any feelings about this at all. He didn't even know he was an Arab, until Nasser came along and made a big point of saying that he was.

So, Nasser was fairly free as far as public opinion is concerned, and he made good sense on things like the refugees being able to go back to Israel. He said he knew that as a practical matter, it didn't make much sense. But he said, "As an Arab leader, I can't say they can't go back ever. But if you work out a program, and they go back over ten, fifteen years, piecemeal," he said, "pretty soon the ones going in will meet the ones coming out; they won't like it any more." And he said, "Israel will only end up with a few thousand people after it's all over." He said, "I see nothing wrong with that." I really thought at one time -- not the Nasser of a couple of years later, but in the beginning -- I thought there was a chance of a major breakthrough in Middle East peace.

Q: With the Suez invasion in '56, did that set that whole scenario back?

BYROADE: That set that whole thing back.

Q: I suppose the Egyptians were impressed by the fact that John Foster Dulles did intervene to get the French and British out.

BYROADE: Our position in Egypt really improved for a little while, but not for very long. We sided with the British very often, in their problems with Egypt. We blocked their accounts on behest of the British.

Q: *Did we help clear the Suez waterway?*

BYROADE: Yes, we did; General Raymond Wheeler, my boss in World War II, was in charge of clearing the canal.

JAMES N. CORTADA
Economic / Commercial Officer
Cairo (1955-1959)

James N. Cortada was born in New York in 1914. He grew up in New York, but spent his high school years in Havana, Cuba. He attended college in New York five years, until 1932. Mr. Cortada joined the Foreign Service in 1942. His career included posts in Cuba, Spain, Iraq, Egypt, Yemen, and Washington, DC. He was interviewed by Charles Stuart Kennedy in 1992.

Q: *Cairo, where you served from 1955 to 1959, which was...There were a number of things happening then?*

CORTADA: Very much so, and I played one or two important roles in that period.

Q: *Would you tell what you were doing in Cairo and then...?*

CORTADA: Well, I was assigned to Cairo. Curiously enough, Chuck Manning who was at that time the Deputy Director for Administration for NEA wrote me a letter toward the end of my assignment in Basra in which he said: "Look, we've got three posts open, and given the fact that you've done so well in Basra, we'd like to give you a choice. Head of the Political Section in Damascus; number two in the Consulate General in Algeria or Tunisia, I don't remember which one. And the number two spot in the Economic Section in the Embassy in Cairo." I wrote back, stating that I was extremely grateful for these options. While I realized that the spot of major prestige, and I suppose for advancement, would be head of the Political Section in Damascus, my French was lousy. I was not a political scientist nor an experienced political officer. I would have had no business taking that job. The number two spot in the Consulate General would be duck soup. But the Consul General, Murray Hughes, held that job when I was in Havana and I would not serve under him under any circumstances. I'd be delighted to go to Cairo where I could continue with my Arabic, economic work which I was very fond of, furthermore, the Economic Councilor, Bob Carr, had a PhD in economics and I would enjoy working under someone with that kind of a background. So I wound up in Cairo.

Q: *What was the political and economic situation when you arrived in Egypt in 1955?*

CORTADA: Gamal Abdul Nasser was in his heyday. Rampant nationalism, very anti-British, very anti-French, hell bent on a united Arab world to wipe out Israel. He hadn't quite gotten to bed with the Russians yet. That happened while I was there. He tried very hard to get the United States to do his financing. What he really wanted was to get the Russians to finance capital

projects like the High Aswan Dam and obtain from the United States, British, and French, the financing of light industry. He believed this would put Egypt in an economic condition which would enable it to support a good military machine which could go after the Israelis. This is what he was really dreaming about, and it was during that period that I landed in Cairo.

I had developed a technique when new to a post no different than when I was in business. I would visit immediately the people with whom I would be dealing. In my first week, I called on the Exchange Control Director, business managers, bank directors. By the time two weeks had gone by, I had just about set up my clientele, so to speak. My job was to prepare periodic foreign trade and general economic analyses. Those were my basic responsibilities. I was also Commercial Attaché and helped promote American business.

Q: The Ambassador at the time was Byroade and then later it was Hare? How about Byroade?

CORTADA: For me a disgusting appointment. He began with an assignment in Europe, I mean in Washington, after the war. He was a West Pointer, an intelligent fellow, but that fellow's affinity for alcohol and presumably for skirts was unacceptable to me. Professionally, he didn't get anywhere with Nasser.

Q: I ran into somebody in the Philippines who did everything as his DCM, and just left, he couldn't take it.

CORTADA: Well, in Afghanistan, I heard that he wound up marrying one of his officer's wife, etc... Yet, his wife Mary was a great lady, General Marshall's niece. She was a wonderful woman. Byroade, as far as I was concerned, should never have been assigned anywhere.

Q: Did this have any effect on the Embassy?

CORTADA: Oh certainly it did. We all had his number. It was during Byroade's stay that Nasser made his famous speech nationalizing the Canal. Peter Chase and I were the two Arabists in the Embassy and we covered that speech. We prepared the telegram subject to clearance by Pete Hart who was the DCM, which reported the contents of that speech. Two or three days prior to that, we all knew in the Embassy that something was going to happen, something major. Now, the reason why Byroade had been sent to Cairo was the assumption that as a young military man, Nasser, also a young officer, that they would hit it off. But people forget that takes more than just a similarity of background and Byroade failed to exert any influence on him.

Q: We tried that with James Gavin in France with De Gaulle and it didn't work.

CORTADA: It didn't work. The result was that nothing constructive came out of that. But, two or three days before this was to happen, and Byroade knew that something was going to happen, damn it if he doesn't take off to the Red Sea on board a cabin cruiser to go fishing, instead of staying on the spot and monitoring the coming event. He should have made every effort to see what Nasser was up to and try to talk him out of it. We were so desperate that we got one of the Attachés to fly one of our officers to Byroade and persuade him to return. The effort failed and he remained on the yacht. Well, Byroade was mad at Dulles for some reason or another, and

moped. He simply did not come back and face up to his responsibilities, and damn it if they didn't send him eventually as Ambassador to South Africa. He should have been thrown out of the service for lack of attention to a crucial phenomenon.

Q: He served as Ambassador to the Philippines, Afghanistan, all...

CORTADA: I simply do not understand where the pull came from because everybody knew that he was incompetent, with very objectional behavior. However, he was a good writer and could usually exert considerable charm when in the mood.

Q: What was the feeling in the Embassy towards the nationalization?

CORTADA: Well, we felt that the French probably were not thoroughly justified in believing that the Egyptians could not run the Canal. It seemed to us that they could run it, but the issue was a political one.

Q: Very quickly, the concentration, at least to the public eyes, was that the Egyptian pilots couldn't work. I mean this was the sort of a western thing that was put out, and when that proved to be wrong, it wiped out that whole argument.

CORTADA: Well, this is why Peter Chase and I had the feeling that the Egyptians could run it, and the other officers in the Embassy didn't discuss it very much. It was sort of a moot question with a *fait accompli*, a kind of wait and see thing. And we were right with respect to the Egyptians' ability to operate the Canal.

Q: What happened, were the French and British Embassies in your contacts there, were they trying to work on us? I mean, what was the relationship?

CORTADA: Insofar as what was going on at the ambassadorial level, I don't know, but below that, there was practically none.

Q: How did we view the Soviets in all that time?

CORTADA: Well, our policy, not only in Egypt, but throughout the entire Middle East was dictated almost exclusively by Cold War considerations. It was Cold War considerations that overshadowed everything. There was no question about that.

Q: What was our concern?

CORTADA: Well, our concern was that Russia might persuade the Islamic nations, (a) to become communist, (b) to join forces militarily with the Soviet Union in preparation for a clash which the Soviet saw might occur one day with the West. This was a policy of trying to gain allies, and friends, and we were caught up in that game.

Q: Well now, when you got there in 1955, who was where as far as the West and the Soviets...

CORTADA: The Soviets had been probing to see how they could get a foothold in Egypt. But Nasser was not particularly anxious to get into bed with them, because he knew what they could be like. He was not about to change from a British master to a Russian master. He was well aware that our posture was one of trying to encourage the Egyptians to keep out of the Russian clutch.

As happens so often in the history of our nation, the American Congress with its continuous habit of procrastination and looking at matters strictly through short term domestic blinkers made it not only possible, but almost inevitable that the Egyptians wound up almost in a closed economic clasp with the Soviets.

The Department of State tried to get the American Congress to settle the question of cotton price supports promptly, so that the world market would know what to be held to, since American price supports influenced what ultimately world prices would be. The Egyptians produced Pima cotton, among the finest quality cotton in the world, although we have Pima grown in Arizona which is just as good, but not as much. Cotton was Egypt's most important foreign exchange source. Congress continued to procrastinate and Egypt was unable to sell its cotton on the world market at its maximum price. Egypt wound up, I think it was the end of 1956, I don't recall whether it was 1956 or 55, I think it was 56, with its cotton unsold. The Russians working through Czechoslovakia made a deal of cotton for arms. The Russians would then sell it for hard currency in Western Europe. They made a big deal out of that. But the Egyptians wound up with a tremendous amount of arms which Byroade once described to Nasser as not obsolete but obsolescent. And he was right there. So that's how Egypt wound up with a hell of a big army and an awful lot of arms.

Q: Did the Aswan Dam come after the Suez crisis, or...

CORTADA: No. The High Aswan Dam issue came before the Suez crisis.

Q: Were you there at the time?

CORTADA: Yes, I was.

Q: What was our prognostication from the economic point of view in all of this?

CORTADA: Well, the position that we took -- I arrived in Cairo when the High Aswan Dam studies were being made -- The position we took was serious reservations about its economic viability. Now, purely as a political measure, the United States, France, and England together persuaded the World Bank to make an offer to finance a beginning stage of the High Aswan Dam. But Nasser was a very devious guy and I seem to recall seeing something to the effect that when he visited Yugoslavia to see Tito, sometime around that period, that he told Tito he was going to nationalize the Canal. The breakdown of the High Aswan Dam negotiations merely gave him the excuse to take that step, and how it happened was Dulles' own fault.

Q: One gets the feeling that there was more than just normal antipathy. I mean, there was real antipathy between Dulles and...

CORTADA: Dulles, for my money, was one of the more disastrous Secretaries of State we've had. Furthermore, the man never even wrote memoranda of any kind. Nobody knew what he was going to do. He despised peoples who were not of European origin. If he received any Latin American Ambassador, he would look upon them like a British Raj receiving some poor Indian Maharajah. And furthermore, he knew mostly European history. And within European history, take him out of British and Germanic affairs, and he didn't see to much else. I didn't think very much of the man although fortunately, I never had a damned thing to do with him.

Q: Well, did any of this dislike of Dulles for Nasser trickle down to the Embassy? Did you figure it out?

CORTADA: No, not at all. Whatever Dulles felt, nobody gave a damn about. Everybody knew about Dulles' antipathy, but it didn't rub off on anyone. Nor were we innocent of Nasser's devious nature. He wasn't kidding anybody. I found the culture interesting but by no means enchanting.

Q: Why was that?

CORTADA: Because of the abuse of women, the brutality with which animals were dealt with, the way kids were smacked around in order to discipline them, the lack of sticking to your word when you make it, deviousness. It's a cruel civilization, and I didn't find that admirable.

Q: Were you there when the Aswan Dam was turned down? Was that when Nasser said: "You can drink...?"

CORTADA: Yes, but this is not the way the thing worked out.

Q: Could you explain how...?

CORTADA: There was an agreement with the World Bank. It was a document, signed, sealed, and delivered. A copy was in the back of Carr's safe. It was right there. The Egyptians had to meet certain requirements in terms of allocations of their resources. What happened eventually was that in my belief Nasser had no intention of allocating Egyptian resources to the project in collaboration with the World Bank, the United States, France, and England. What he wanted was the Western countries and the World Bank to finance the High Aswan Dam, and get somebody else to finance the industrialization of Egypt, or vice versa. And he knew very well that this wasn't going to fly. With that deviousness characteristic of his, he set a trap and Dulles fell into it.

Nasser instructed his Ambassador in Washington to go to Dulles and demand a yes or no to U.S. commitment for the financing. Dulles, with that arrogance of his, gave him a flat no. This gave Nasser the excuse he wanted to go ahead and nationalize the Canal, and appear before the world as a martyr victim of Western intransigence. It was quite a posture. What Dulles should have done if he had any real diplomatic flair was to have told the Egyptian Ambassador: "You know, this is a very complex matter, maybe there ought to be other ways to do this which would give

you more advantage. Let's meet two weeks from now and talk about this again." This would have deprived Nasser of an excuse for any action and put the monkey on his back.

Q: In one of my interviews with Julius Walker who was then a very junior Public Affairs Officer, he had to go into Dulles' office just after he had told the Egyptian Ambassador and he said: "Honest to God, Dulles was dancing a jig of joy." I mean he really enjoyed doing that.

CORTADA: Yes, and he proceeded to screw up the whole Middle East as a result.

Q: Did matters change for our Embassy and for you and all, after the turn down of the Aswan Dam as far as our relations were concerned?

CORTADA: Not in terms of our personal relationships. No. The lines of communications between us and key officers in the Egyptian government were maintained all along and were very friendly, in a comfortable fashion. There was no problem there at all, because within that devious type of atmosphere, there were about a half a dozen of key Egyptian officials just as honorable as anyone one could find anywhere. They were straight shooters, competent, good patriots, etc...In fact, to cite an instance, there was a question as to what a Cuban delegation was doing in Cairo, its connection if any with an arms for cotton deal, and who was going to do it. The Egyptian Central Bank published a periodic report which included foreign trade by country including those with the Iron Curtain countries. By reworking all those figures over and over again, I found out it was Czechoslovakia. But the go-between in Cairo was Poland, and I'll tell you how that came about. The integrity of the Egyptian bank and foreign exchange officials was reflected in the equal integrity of the data published. Che Guevera had turned up in Cairo.

Q: He was Cuban...?

CORTADA: He was Castro's right hand man. An Argentinean Revolutionary who had joined Castro early in the movement and who persuaded him to definitively go the communist route and seek Soviet help.

Q: Castro's...?

CORTADA: We still had diplomatic relations with Cuba and the Cuban Chargé d'Affaires in Cairo was a very good friend of mine. I wanted to get an idea of what made Guevara tick. Through the Cuban Chargé d'Affaires, it was arranged for Che Guevera and his bewhiskered gentlemen to come to our house for a genuine Cuban dinner which my wife Shirley prepared. I also invited the wife of our DCM, Tony Ross, who spoke Spanish and two or three other members of the Embassy who also had this capability. Mrs. Ross and another lady joined me and Guevara for a lengthy after dinner chat. And Guevera was very candid. He told me exactly what they were going to do in Cuba. Of course, I reported this conversation to the Department and our Ambassador in Havana.

The interesting point is that Che Guevera, grateful for getting a real Cuban dinner in a foreign place like Cairo, sent me a box of Upmann #4 cigars, Petit Cetros. When I was in Havana, I used to buy for ten cents a piece the seconds of these cigars. Seconds meant only that there was a spot

on them but didn't alter the smoking quality. Upmann's Petit Cetros #4 have a special aroma which an experienced smoker can detect a mile away.

Well later Che Guevera gave a party for people who had been nice to him and his group. Shirley and I were invited. I looked around, talked to everybody like one does at a cocktail party. All of a sudden I caught a whiff of an Upmann #4 Petit Cetro. Where did it come from? I thought it was from one of the Cubans, but no, there wasn't a Cuban in sight. It was from the Polish Ambassador. So, I went up to him to say hello, and one thing and another...I wasn't smoking at all. Quite boldly without any basis for the remark other than the odor, I commented, "Mr. Ambassador, I understand you had a very satisfactory meeting with Che Guevera." I didn't know anything of the sort, it was a canard on my part. He turned red as a beet and I knew what had happened. I had hit it on the nail. So we got the picture put together.

Q: Well, how did the nationalization of the Canal and the eventual Suez crisis with Britain, Israel, and France attacking Egypt, how did that play out in our Embassy?

CORTADA: Well, there again, the relationships with the Egyptians went on unimpaired. Even when it appeared that we might be going to war. Nasser had arrived at the conclusion, once the attack had begun, that we were going to support the British, the French, the Israelis. He thought it was curtains. And I understand he so told our Ambassador. He was astonished when Eisenhower called the dogs off. But, right up to that very moment, Nasser cooperated with us, with the evacuation not only of our citizens, but of other nationalities. We evacuated 1600 people. Since I was one of the very few officers with consular experience, I dealt with the evacuation. The relationship was very workable.

Q: The Ambassador was still Byroade?

CORTADA: Oh no, he had gone. They got rid of Byroade after the fiasco of the Canal, and Ray Hare came in to pick up the pieces. Let me say, Ray Hare is probably the most talented, finest American diplomat I have ever met. A gentleman, brilliant, even tempered, astute, a scholar, my admiration for Hare is tremendous, and for his wife, Julie, Oh, what a lady!

He would have staff meetings at which he would give us a bit of philosophy from time to time. He had gone to the Sorbonne for Arabic training in his youth and had been to Turkey before he went into the Foreign Service. He had been exposed to broad thinking about the whole area in the 1920's. He always kept his head. During that crisis, he never lost his cool, maintained connections with Nasser right along, in fact, we had one interesting incident at the evacuation dock.

I had gone to the pier about six o'clock in the morning to get ready for the people who would be arriving and who I would certify to the marines who had a launch to take them to the troopship. All of a sudden a taxi came barreling down to the docks, and a tall man with a suitcase sprinting just as fast as he could ran to the dock gate which was still open. He said: "Mr. Consul, I'm British, and I want to see if I can get out of here. Can you get me onto the ship." I said: "Of course." I put him in the launch and sent him on board the ship. Fifteen minutes later, the Egyptian military came. They wanted to retrieve him. I remarked: "You people don't know

anything about American history, do you?" "No." "You've never heard of the War of 1812. We went to war with Britain, when we were just a small nation because British ships used to take people off American ships. There'll be no taking anybody off any American ship." Well, they began to threaten: "We're not going to let anybody evacuate..." "You can do what you like." I notified the Ambassador of what I had done and he got hold of Nasser. Nasser understood and that was the end of that incident.

Q: How about the aftermath, what happened up through really from 1956 to 1959?

CORTADA: Alright. Here's where I... and I say... the thing that I find awkward about interviews of this sort is that I have to go into an I, I, I did, kind of thing.

Q: That is of course what Oral History is.

CORTADA: I'm not doing it to brag about a role, but because it is the way it happened and the record is there for anyone to look at. When the crisis was over our families came back. We went through around 6 months when there wasn't a ripple on the lake, everything low key, no visitors to speak of. One went about writing periodic reports and that kind of thing.

One day, during that period, that lull,...we used to live in a place called Maadi. Maadi was on the outskirts of Cairo, and quite a number of Americans and foreigners lived there, as well as well-to-do Egyptians. Going home for lunch with the Military Attaché, Colonel Pope, and two other colleagues, whom I don't recall, they were going in my car, I commented out loud: "I think the time has come to send PL 480 wheat to Egypt and begin to rebuild relationships." Which were at an official low point. In the meantime, the Egyptians were dickering with the Russians about the High Aswan Dam. The Russians had a lot of influence because of all those arms sales, and the potential High Aswan Dam project. Pope said: "You're nuts, you'll never get Dulles to go along with the idea. His detestation of Nasser is such that he'll never go along with this." I said: "I'm not so sure."

So I went home and had lunch. By his time, Bob Carr, my boss, had been transferred and replaced by another delightful and highly competent gentleman, the late Ross Whitman. Ross Whitman was also a PhD in economics and one of the first econometricians in the nation. When I was a very young man working as a salesman in Gimbels, Ross Whitman was R.H. Macy's top economist. Ross Whitman was about ten, fifteen years my senior. Very competent and a fine professional economist. After returning from lunch I went over to Ross and explained my PL 480 idea. Ross' reaction was the same as Colonel Pope's. But I persisted and he agreed to try an approach to the department if Hare approved. I wrote a telegram which said in effect very bluntly "Request consider selling 500,000 tons of wheat under PL 480." Ross looked at that telegram and commented that the Ambassador would never let this thing go through, it was too blunt, "you've got to condition this message, you've got to soften it up somehow." "You mean Viennese music in the background for seduction." "But you're agreeable to let something go." He nodded and I suggested he try his hand at it. Which he did. He took the bite out of it. When he saw the Ambassador for clearance, Hare concurred but felt it was an awful telegram. He told Ross to say just what you want. Hare then drafted the telegram more or less as I had done and off went the telegram to Washington. Within 24 hours, the answer came back with concurrence! "Offer

500,000 tons of wheat, so many thousand pounds of sorghum, so much of this, so much of that, for soft currency."

I was then authorized by Ross and Hare to sit down with my good friend in the Egyptian government who was the key person to negotiate with and obtain his government's agreement. Hamed Al-Sayeh was married to a Finn and our wives got along well. When the proforma contracts came, we got together in his house for a meal including the two ladies. We were there until 4 o'clock in the morning negotiating. I bought nickel cigars in the Embassy store, brought a bottle of Scotch which Hamed and I placed on the floor together with a backgammon set. Here on the floor drinking this stuff, smoking all these cigars, and playing tric-trac we settled the draft contract including a clearance by the Minister of Finance and Nasser himself. About two o'clock in the morning, we came around to sorghum. I did not know specifically what sorghum was, neither did he. The dictionary wasn't very clear. We called the Agricultural Attaché at that hour of the morning, but he was out of the country. So I turned around and said: "Look Hamed, sorghum is a food, obviously from the dictionary definition, so either humans eat it or animals eat it. And you got humans, and you got animals, so what the hell is the difference. So, OK." We had another problem, rate of exchange would govern payments fifteen years hence. Again I said: "Hamed, what is the difference. Fifteen years from now who the devil knows who's going to be around or what the conditions of the world are going to be, or what currency relationships will prevail. The issue is academic. This is repayable in Egyptian currency. So you're either going to print more money or you'll pay with what you have. So what's the difference, forget it." He accepted the argument. Next morning, I went to the Embassy, and believe me, I was like something the dog dragged in. I pointed out to my boss and the Ambassador that the negotiation was finished and ready to go. That, my dear friend, is the way Egyptian-American relationships began the long way back, culminating ultimately into what it is today.

Q: Fascinating.

CORTADA: This is the way the thing was done, exactly like that.

Q: Well, talking about another relationship, you're an Arabist. You were in Egypt how did you view, and how did, you might say, those others who were involved in the Arab world, view Israel at that time?

CORTADA: Well, I really can't say, because, how one viewed Israel depended an awful lot on what their own backgrounds were. You have to bear in mind, that I came from New York City. I lived mostly in the West Side near Columbia University, around Broadway and 112th, 114th street, 110th street. That was a neighborhood that was predominantly Jewish, Jewish middle class, professionals, and I grew up with these Jewish children. I was not aware till quite at a much later age, till I was a teenager in fact about these biases.

In fact, I remember once, when I was about 9, 10 years old asking my mother: "Why can't I go to the synagogue on Saturdays like Bernie does?" I've always been able to look at the Israeli picture through what I consider about as objective a view as you can, because I had no strong sentiments about it and no bias in the matter.

I can understand ... I blame the Congress after World War II, when it refused to accept 150,000 Jewish refugees, for forcing the Zionists to get into the Palestine picture. You can bet your boots Congress has been the cause of an awful lot of our flaps overseas. And that was a crucial one, if they had taken in the 150,000 Jews wandering around trying to find where they were going to go, I don't think that the Middle East situation would ever have become the hot potato it is.

I could see where Israel made serious diplomatic errors. I could see where the Arabs did also and I could more or less figure out what was going to happen at the end. If the Arabs had not been able to get along with the Europeans of Polish, German or English origin, how were they going to get along with Europeans who while Jewish were never the less still Europeans. Also, bear in mind that what fascinated me about the Islamic world was not so much the language but the philosophy behind it, and the cultural patterns. I dug very deep into that. I realized that the conflict between Christian Europe and the Islamic Middle East was a continuing struggle, and that the Israeli aspect of it was just a phase, which sometimes could go this way or that way. All I had to do was go back to the 800 years of Spanish-Islamic conflict to find the patterns for it. And then later on you get into the Crusade Phase.

Islamic philosophy for the true believer, and most are real believers, even though they may be lax, just like we have a lot of Christians who are true believers, but who are very lax in the practice of their religion, requires Muslims never to make a permanent peace with the infidel, only a truce. The very pleasant relationships that we have now, say with Egypt, and that we might have with Syria, if Syria and Israel make a deal over the Golan Heights, is really a truce. Whether it takes one hundred years more, two hundred years more, three hundred years more, to continue the struggle is not definitive for a true Muslim. In that culture, time is very relative. Now, other of my colleagues have biases in the matter. They could be pro-Arabs, they could be pro-Israel, it depends an awful lot upon their background.

Q: I'd like to, speaking of time, to move on, you left Egypt in 1959?

CORTADA: That's correct, and I went to the Senior Seminar on Foreign policy.

HOLSEY G. HANDYSIDE
Political Officer
Cairo (1955-1957)

Ambassador Holsey G. Handyside was born in Cleveland, Ohio in 1927. Handyside attended Amherst College in Massachusetts, majoring in French and political science. Ambassador Handyside received a B.A. in 1950, and then attended the University of Grenoble on a Fulbright Fellowship and then the Woodrow Wilson School at Princeton University for two years. He received an M.P.A. in 1953. Ambassador Handyside entered the Foreign Service in 1955, serving in Beirut, Baghdad, Tripoli, and Mauritania. He was interviewed by C. Stuart Kennedy on April 19, 1993.

Q: You got to Cairo in the fall of 1955. What was the situation at that time?

HANDYSIDE: The situation was that Mr. Nasser had just signed off on the Czech arms deal, which was what we all called it at the beginning, because we thought it had indeed been negotiated only with the Czechs. It was only subsequently that we became aware and eventually the public became aware, that the deal was actually with Moscow and the Soviet Union. There were lots of very unhappy people, particularly one by the name of John Foster Dulles, who took a particularly dim view of this kind of thing. So I can recall that when I first arrived in Cairo in early September 1955, that I kind of rattled around by myself for a while because the front office of the Embassy was busy taking care of people like Loy Henderson and George Allen, who were running around out to Cairo to see Mr. Nasser and other people in the area trying to figure out whether this arms deal meant, I guess, a total sell-out to the Soviets, and whether this was going to be a real problem for the United States or what.

Unhappily, from my view at that point, and this was a judgment that was reinforced subsequently, was that decision making in Washington had not taken into consideration some of the fundamental dynamics of the political situation. Certainly in Egypt and in the relationship with the other countries of that area, particularly with Israel. The result was that they completely missed the driving motivation that sent Mr. Nasser into an agreement with the Soviet Union. He had come to Ambassador Byroade on at least two previous occasions. The second one after the Egyptian army had its pants whipped off it by the Israelis in a two-day engagement. The senior members of the Egyptian forces had taken a terrible beating and their troops had taken a terrible beating. They all attributed it to the fact that they did not have the same level of quality and the same level of modernity in their military supplies and equipment. Nasser was determined to correct this deficiency. He had come to Byroade after this cross-border raid by the Israeli forces and in effect had told him that he was really up against it. He had to get some kind of an arms deal in order to placate his senior generals and colonels. He didn't have to spell it out for Mr. Byroade because the Ambassador certainly appreciated the fact that Nasser's position as the leader of Egypt was directly dependent on the continued support and willingness of the senior command of the military forces to have Mr. Nasser in that position. Nasser had come out of the military, had been one of the military coup leaders that had taken over Egypt and had thrown Farouk out in the process. And quite clearly he was not going to be able to remain astride the Egyptian government without being able to satisfy the senior Egyptian military commanders. They simply were not prepared to sit by and take another shellacking from the Israeli Defense Force. The response that Mr. Byroade received from Washington in March or April, 1955...my recollection is that this raid took place in February 1955...was that the United States government was not interested in doing anything, and QED, therefore the United States government, was not going to do anything as far as the Egyptians were concerned and as far as some kind of military aid package was concerned.

The result was inevitable, but Washington apparently never really understood the dynamics of the situation. They never really understood the fundamental premise which was that Nasser was dependent upon the military, the military was unhappy and unless the military were at least assuaged partially, not necessarily totally but at least partially, his days as the president of Egypt were numbered. He knew that and Byroade knew that and so did everybody else in the Embassy in Cairo know that. But somehow, apparently that fact either did not percolate back to

Washington or it was not considered significant.

So, during the course of the summer, June and July apparently, the initial contacts were made with the Soviets. The negotiations were held in Moscow, and by the first part of August, the agreement was signed and then the announcement, as I recall, was made sometime during the first week of September. By this time they had ginned up this business of throwing dust in our eyes, and the agreement was actually signed in Prague to bolster the idea that it wasn't really Moscow but one of the Eastern Bloc Soviet dependencies that had made this deal with the Egyptians.

Q: What were you doing when you first arrived there?

HANDYSIDE: I was the most junior of junior political officers. It was not only an introduction to political work in terms of US government vis-a-vis the host government, but it was also an introduction to a certain amount of internal political dynamics of the Foreign Service and of a Foreign Service post.

Q: What were you observing in the political section, internally first?

HANDYSIDE: Internally it was a very interesting combination. Here was an ambassador, Henry Byroade, who had come up through a career service but not the career diplomatic service; he had come up through the military. He had been the youngest Brigadier General in the United States Army during the Second World War. A very competent, very able guy. He had married his West Point sweetheart who by this time was a kind of aging blonde. But also, more importantly as I look back on it, Henry Byroade had kind of checked out of being the Ambassador to Egypt after the announcement of the arms deal because it was quite clear that Washington had not read his reports or followed his advice and therefore there wasn't any point in his hanging around a great deal longer.

The second observation was that the DCM was an exceedingly competent Foreign Service Officer...this was Parker T. Hart...who really knew what was going on in that country and in that Embassy. But Pete Hart was not the kind of person who was completely comfortable working with other people and was much more intellectual about the profession of diplomacy than of the school of winning friends and influencing people. He was in a terrible position because he had a wild card as an Ambassador and as the Deputy Chief of Mission, he had a certain responsibility to keep him somewhere at least in the pasture if not on the straight and narrow.

My boss, the head of the political section, was precisely the opposite kind of person as Pete Hart. He was hail-fellow-well-met. He was a back slapper. He had intellectual competence, but he didn't really use it very much. He had a very good relationship, a friendly, warm, old school tie kind of relationship, with Ambassador Byroade. Also he had a very attractive blonde wife. It was quite clear that the Ambassador very much enjoyed looking at and being with, Mrs. Chief-of-the-Political-Section. So it was an interesting kind of thing.

The economic section chief, was for the first little bit that I was there, a highly professional, well trained economist, who was the epitome of the Foreign Service in terms of knowing where to go

for information, how to get it, how to organize social functions so that they became most productive from a representational and information gathering way, etc. And because most of the political people were not in the slightest bit interested in economics, there was very little traffic between the two sections. So the chief of the economic section pretty well ran his part of the Embassy by himself.

The other observation was that Embassy Cairo at this point presented a special case. Partly as a result of the circumstances of the coup d'etat against King Farouk, and therefore the personalities who were involved and the members of the Embassy who were amongst the first who happened to fall into interviews with Nasser and members of the Revolutionary Command Council, a great deal of the political reporting and political representation job, was not handled by the State Department, but was handled by the Central Intelligence Agency stationed in the Embassy in Cairo. In part also, this was because the poor old budget-strapped-State Department and the management shortsightedness of the State Department taken together, made the Department unable to respond to the increased requirement for people in the State Department's political section in Cairo. The job had to be done. It seems to me as I look back on it, although I don't know about this specifically, that the Ambassador must have realized the problem and therefore must have made his case to Allen Dulles at Langley. The upshot of it was that the station just burgeoned almost immediately after the Nasser coup and had a whole host of people who have now become publicly known members of the cast of characters. The political people in the station outnumbered the State Department by about four to one. They had a whole lot of very high powered people out there. People whose names are now common knowledge to anybody who has done any reading in recently published stuff on the Middle East. So all the interesting things were done by the senior members of the station. My boss, the chief of the political section, I don't think ever saw Nasser or any of the people around Nasser except in some kind of a social function because that work was all being done by our counterparts in the other agency.

As far as I was concerned, as the lowliest of the low third secretaries, it really didn't make any difference because I wouldn't have been permitted to do anything like that anyhow. I was allowed to get on with the business of getting to know my diplomatic opposite numbers in a variety of embassies around the town and cultivating a lot of the more junior people, particularly in the Ministry of Foreign Affairs and other interesting parts of the Egyptian government.

Out of that grew a kind of periodic supper club bringing together all the third secretaries from various embassies around town. There were about eight or nine of us who were in the same position. We found that it was enormously useful to compare notes. Not only in terms of what we all thought was going on in Egypt, but what we thought was going on in other parts of the world, what the practice of diplomacy was all about, etc. So at least once every month, one of us would host a dinner party for the other seven or eight.

This was another one of these interesting groups of people because amongst those who were there, one of them, the Iraqi, became a very senior official in the United Nations, was chef de cabinet of the Secretary General for a period of time and most recently has had a special assistant kind of assignment to the present Secretary General. The Australian who was there is now the Australian Ambassador to Washington. Two of the British types who were there, both "Arabists", have become Her Majesty's Ambassadors some place or other. The Canadian who

was there eventually went back to Canada and became a special assistant to Pierre Trudeau, the Prime Minister; he eventually resigned from the Canadian diplomatic service and became the Minister of Foreign Affairs for the Province of Quebec. This was at the time, about ten years ago when there seemed to be every indication that Quebec was going to secede from Canada and indeed have its own government. He has sort of disappeared since then. And so on. It was a very interesting group of people and it was fascinating to see...there was also a young fellow from the French Embassy...and it was fascinating to see their personal and kind of institutional reactions to the kinds of things that happened.

Q: What was the impression that you were getting...this is the first time in a Foreign Service context and you weren't an "Arabist" at the time...what was your impression of how those people from your vantage point in the Foreign Service who dealt with the problem of Israel, which we are still dealing with, how did they view Israel?

HANDYSIDE: Well, I think it was at least as far as we were concerned and I saw this because the next person up in both the State Department political section and the economic section, were career officers, both were "Arabists". Observing them in action, I think it is quite fair to say that their reaction to this particular knotty foreign policy problem was objective analysis of what was going on, objective analysis of both the strengths and weaknesses of the Arabs and the strengths and weaknesses of Israel. I think their objectivity became obvious over a period of months in the sense that one recommendation back to Washington was that we ought to do so and so which would reinforce the Arab side of the story and then the next recommendation would be that we ought to do such and such which said in this instance the Israelis were right and we have to support the Israelis. That kind of thing.

I think there was also a kind of reluctant acceptance of the reality of the situation, which was that with a disturbing frequency, decisions on the Middle East were not made on the basis of the geopolitical realities of the Middle East, but were made on the basis of the domestic political realities of a half dozen large cities in the United States. It was a rare occasion when these two things coincided. So there was a certain kind of built-in frustration, seeing problems arise and not be resolved, in fact not even being managed very well, because the decision makers in Washington were making decisions on the basis of a completely different set of givens. The two gentlemen involved were reluctantly accepting of this fact. They recognized that it was the reality in which they were functioning and that there wasn't any point getting terribly worried about it or emotionally involved in it because there wasn't a bloody thing they could do about it.

Q: Do you think they were trying to impart the dynamics...we really are talking about, particularly at that time, pretty much the Jewish pressure within the United States, later this moved into other areas...Christian fundamentalism and other dynamics...but at that time it was pretty much plain Jewish influence as far as Israel was concerned within domestic politics. Were they making an effort in trying to explain how the United States works and that this was a factor?

HANDYSIDE: This was something that we did about every other day to whatever foreign diplomat or whichever Egyptian official we were talking to. They would keep complaining to us that their side of things was not understood or accepted in Washington, and I would come back and say that was partly because they didn't know how to articulate it. I was shocked, for

example, when I met the first couple of young Egyptians in the Foreign Office, two of whom had been previously stationed in New York and Washington. What had made the greatest impression on these two young, obviously upper, upper class (in society) Egyptian males, was not the political dynamics of the United States, nor even the political dynamics of Washington, but the wonderful opportunities for personal recreation. Specifically, one of the things one of them always wanted to talk to me about, was the wonderful night clubs in New York. As far as I was concerned as a young American, these were night clubs known to me only by name; I hadn't been in any one of them. Not only had I not been in any one of them, but I didn't really care about it. I wasn't even interested. But the only thing that was important to him, this was the fellow who had been stationed in Washington, were the weekends that he had been able to get up to New York and go to the Latin Quarter or whichever one he decided to go to. This was also at a time when there was a sense within the Arab community that the thing they really had to shout the loudest about were the considerations of justice, historical justice. They somehow decided kind of unanimously, that the most effective way to do that was to send a guy to Washington or to New York who had a very loud voice and would shout the loudest and longest about historical fairness and historical equity, much of which was either irrelevant or of the lowest priority interest, insofar as solving particular problems was concerned.

But the Syrians were particularly adept at sending people to Washington as the Ambassador or to New York as the Ambassador to the United Nations, who made wonderful stem winding speeches that got printed in their entirety on the front pages back in the Arab world. But they were speeches that the United States government in its wisdom disregarded and paid very little attention to. The specialists would read these things just to discover if there was something new. And since there very rarely was anything new, they probably never even got translated in their entirety and got filed in some filing cabinet in the State Department and nobody really paid much attention to them.

It was another 12 years at least before the Arabs as a group began to discover to a sufficient amount how Washington worked and how the United States worked, so that they began to function as typical diplomatic personnel in Washington and New York. And for a period of time there were people who came to the United States, came to Washington, who did function in this fashion. They recognized that Washington was different from Cairo. While all decisions were made in Cairo and anyone who was important in Egypt was in Cairo, and therefore the whole country was run out of this central hub, that Washington was not the equivalent of Cairo. They recognized that what went on in other major cities in the United States was frequently, in political terms, as important as what went on in Washington. Therefore, one had to be, as a diplomat representing a foreign country in the United States, at least as aware of and to a large extent, almost as active in New York, Chicago, San Francisco and maybe St. Louis, as in Washington. While the other diplomatic embassies in Washington were doing this as a matter of course, either directly or through their constituent posts in these other cities, the Arabs as a group hadn't tumbled to this idea that this was important. It wasn't until pretty close to 1970 before some of the Arab embassies in Washington began to recognize that this was the reality of the American political system and begin to operate on this basis. I had become aware of this when Ashraf Ghorbal was the First Secretary in the Egyptian Embassy. He was the gentleman who subsequently became the Egyptian Ambassador to the United States.

Q: The first really effective one.

HANDYSIDE: Absolutely a terrific person. He became one of the very, very key players in the events leading up to the Camp David Accords.

The other person that I remember particularly was my Mauritanian counterpart in Washington. He, like most Mauritanians, had been educated in Arabic and in French and had, I guess, some textbook English. So when he came to Washington his English was really almost non-existent. He sat himself down and began studying English a couple of hours a day and then got to the point where he was really quite effective at it. He began frequenting the halls of Congress, getting to know various members of the House and of the Senate. And then he began moving outward from there. He, in effect, practically sent out a broadside to anybody who had ever written to the Mauritanian Embassy in Washington, "If you want me, I will come talk." He was traveling all over the country. Whenever he had an opportunity to talk to a Rotary Club or a Council on Foreign Relations, etc., my opposite number was on an airplane and on his way out into the Middle West or the West Coast. The fascinating thing was that it wasn't very long before he was recalled because of charges that were made to the President of the Republic. Charges that he was frivolously wasting his time and wasting the embassy's money by running all over the United States instead of staying at his job in Washington where he belonged.

Q: Sounds like the United States. What were you getting, Handy, from this group of eight or so, the young diplomats, how were they viewing the situation both in Egypt and relations with Israel at that time?

HANDYSIDE: I think there was a kind of common understanding that, and part of it I suppose could be attributed, if you will, to the unusual curse of localitis. But there seemed to be a kind of general consensus that somehow or other, none of us and none of our colleagues in our embassies, had been able to communicate the realities and also the nuances of the situation in Egypt and in the Middle East, more generally, back to our respective foreign offices and capitals. That somehow or other, none of the seven or eight capital cities involved was behaving in any way that suggested that they had a real understanding of what was going on in Nasser's Egypt. This was poignantly revealed in a number of ways. One of the first groups that the Americans had to cope with..(in the following year Mr. Nasser nationalized the Suez Canal).

Q: We are talking about the period before.

HANDYSIDE: Well, it wasn't quite obvious in the period before, but there was a consistent thread of people kind of wringing their hands and saying, "Somehow or other we are not communicating with our home office." Not that this made us individually feel any better, but at least when we were confronted with a particularly egregious example within our own diplomatic service we recognized that we were not alone.

Well, we are talking about communication, of understanding a situation, which of course, is what the Foreign Service tries to do.

Q: How was the communist menace viewed? There was the Czech arms deal and all that. How

were we viewing that both with this group and also from the Embassy, was seeing this as far as whither Egypt and all that kind of stuff?

HANDYSIDE: Well, this was something that became increasingly more important after the so-called Czech arms deal. This became the basis for a reappraisal of our relationship with Israel and with the rest of the area more generally. It wasn't very much longer afterwards that Washington began to look at the Middle East as a cockpit of struggle between the East and the West. And certainly there were those in the United States who were grasping at every possible argument to bolster US support of Israel, to make the argument that this was the outpost of the West in the Middle East against the Communist hordes. To make the argument that Israel was the only democracy in the Middle East and therefore we had this special philosophical relationship. You were mentioning earlier on, Stu, that it was the pressures of the American Jewish community that had kind of shaped foreign policy. "Yes and no" was my kind of quiet reaction. Yes in that they were the people who were most interested, but no, in that their argument in the support of Israel was rarely presented or argued in the form of our responsibility to this particular religious and political group. We have heard certainly much more in the last ten years and certainly much more in the last two or three weeks about the nonfeasance of the West and of the various religious groupings within the West to prevent or at least move effectively against the awful Nazi atrocities that were carried out systematically over the period of four or five years during the Second World War against the Jewish community of Western Europe. The holocaust was something that people in the United States in 1950, 1952, 1955, were not conscious of to any great extent. They certainly weren't conscious of the fact that they had in any way, either direct or indirect, responsibility for decisions that were attributed to this mad man Hitler. It wasn't until a number of years after the Second World War that some of the internal workings of the United States government became public in terms of the decision making process in the War Department and other parts of the United States government. Including the Oval Office, where for reasons that seemed adequate at the time, the United States government chose not to get involved. In this early era of the US relationship with Israel, I think there was much less resort to bringing up those kinds of things than there was to some of these more immediate and more practical kinds of assertions that Israel was the outpost of democracy or our bastion, that it was our landlocked aircraft carrier in the Middle East.

It took quite some time, but this process over the sweep of the years became increasingly more solidified to the point that I can recall when Alexander Haig was made Secretary of State in the first Reagan Administration in 1981. He saw the entire problem in the Middle East strictly and solely, in terms of the US and Soviet competitive situation. The first few months that Haig was Secretary of State, the people in the Near East and South Asian part of the Department had a terrible time trying to get his attention and to get him to look at, think about and consider, the internal dynamics of the Middle East.

Q: But going back to 1955 and early 1956, was the feeling that the communists might be taking over Egypt, that it would at least move into the Soviet camp?

HANDYSIDE: Well, that certainly was part of it. And I think, although I haven't made it my business to read the memoirs and other basic documents of that period of people like John Foster Dulles, certainly my recollection is that these were the kinds of things that were of the highest

consideration. These were the persuasive factors. What I think was the mitigating circumstance, perhaps, was that after the arms deal was made between Egypt and the Soviet Union and after the first wave of Soviet military arrived in Egypt to teach the Egyptian military how to maintain and use all of this fancy equipment, that seemed to be where it peaked out.

Nasser continued to be as anti-foreign, if you will, after the agreement as he had been in a sense before the agreement. He reasserted his independence and periodically said, or other members of the Egyptian government said, that they hadn't got rid of the British just to become the servants of the Soviets or anybody else. By golly they were going to run their own show. They had been trying for years and years to get their independence and they were not about to sign it away. And over a period of time I think that kind of set of extenuating propositions finally found their way across the Atlantic.

People began to realize that this was a situation we didn't like very much. It gave the Soviets an opportunity to get to know an awful lot of bright young Egyptian males, who presumably over a period of time, were going to become increasingly more prominent in Egyptian affairs. This meant that in ten or fifteen years down the track, we were going to be dealing with senior people, certainly in the Egyptian military, who would have had their primary intellectual formation in military schools in the Soviet Union or in military classes in Egypt. In opposition to having had them in England, which was true before or to a certain extent, in the United States.

So anybody who thought about this recognized that this was going to pose a long range problem. But I think there was a kind of relaxation on this issue. Besides, it wasn't very long before another couple of kinds of things became involved. So it was necessary to get on with the business of thinking about what the current problems were. One of the major current problems was that as part of Nasser's declaration of independence, if you will, he chose the occasion of the anniversary of the military coup in July 1956 to declare the nationalization of the Suez Canal. This shocked everybody. I think it particularly shocked John Foster Dulles. This was obviously, as far as Washington was concerned, totally unacceptable. The insistence that Nasser had kicked over the traces and that what he had done was totally illegal was at least questionable. It could be argued that this was a manifestation of national sovereignty, that it was the cancellation of a concession that had been let by an occupying colonial power some 95-100 years earlier. And that any self-respecting modern independent state had a right to reorganize the exploitation of one of its few income producing assets.

There was another area of unhappiness about this. That was that the Suez Canal was a terribly important maritime waterway and, "as everybody knows," the Egyptians will bugger it up. So one of the reactions in the United States was to conjure up the idea, and to try to sell around the world something called the Suez Canal Users Association. This really never got off the ground because there were an awful lot of people who were a little bit closer to the operation of the Suez Canal who came to recognize very quickly that the Egyptians were very serious about operating their canal effectively and efficiently. That Nasser had personally handpicked the army officer that he put in charge, and that he was one of the brightest and one of the most sensible guys in Egypt. He obviously was given carte blanche to do whatever he thought was necessary. One of the first things the new top manager of the Canal did was to set off to recruit a whole host of foreign technicians to help him operate the Canal. The new foreign experts were certainly every

bit as qualified as the technicians who had previously been employed by the Suez Canal Company. So in a matter of about six months, there was a whole new roster of pilots, a whole new roster of technical experts in all of the necessary disciplines. Eighteen months after the nationalization of the Suez Canal, there were people in the maritime business, who while they clearly didn't want to be quoted for attribution, were quite prepared to say that the Suez Canal was being operated more efficiently, more imaginatively, more effectively under the new regime than it had been operated by the Suez Canal Company for two or three decades.

Q: How did the Embassy react to the nationalization and the events leading up to Suez War?

HANDYSIDE: I'm a little vague as to how the Embassy as a whole reacted. As far as we were concerned we were all busy trying to keep up with all the new developments. Every day that went by there was something new going on or something that needed to be reported. So the amount of telegram writing or what we used to call airgram writing was just enormous. The amount of paper that went back to Washington out of that Embassy was really very impressive. Everybody was doing his own thing. There were highly complicated, highly technical economic assessments coming out of the economic section. The political section was trying its best to second guess what the Egyptians were up to and what the next step was going to be. Our counterparts across the back alley were very busy trying to milk their intimate contacts in the Egyptian government, and particularly those that were close to Nasser, trying to get some clues of what he was up to next, and so on.

Then there came a time when it became more and more obvious that the Western colonial powers, in particular, were not going to take this sitting down. We began to try to figure out what was the intent of Paris and London. We were astounded, in comparing notes with some of our French and British Embassy colleagues, to discover that there was in effect a bifurcation, certainly in the British Embassy and to a lesser extent in the French Embassy. What the people in and around the military attaché's office in the British Embassy (who continued to refer to the Egyptians as "wogs") were reporting back to London was obviously very different from what Sir Humphrey Trevelyan, the British Ambassador, and his civilian diplomats were reporting back to London. The same distinction seemed to be apparent in the French Embassy, although from my own personal view I couldn't establish that fact quite as readily.

As we got closer and closer to the time of reckoning, there were two stories that refer back to the little group of junior diplomats. As the drums kept beating louder and louder and it sounded more and more as if the French and the British were going to resort to the use of military force, we kept trying, at all levels in the American Embassy, to find out from our British and French colleagues what the hell was going on. I have two very vivid recollections.

The first one was about the third week of October and I was the host that night of our monthly supper club. One of the two British fellows who was a regular and who had previously told me he was coming didn't show and didn't show after everyone else had arrived. Then the phone rang and he said, "I'm tied up at the Embassy and I will be there as quickly as I can, but don't wait for me. Go ahead and have supper." So the rest of us started our dinner. The only topic of the day was what was going on in Paris and London that would impact as far as Egypt was concerned. When this third secretary from the British Embassy finally kind of staggered in, I had rarely seen

anybody and certainly not this particular fellow appear physically so dejected. His physical appearance matched his mental state. As we all waited for him to tell us why he had been 45 minutes late, what was going on at his Embassy that was so important, he proceeded to relate the following: That Sir Humphrey Trevelyan and the other members of the staff had been listening to the radio coverage of that day's session of Parliament. At this late date I can only think back that it must have been a question period. Sir Anthony Eden, the Prime Minister, had answered a series of questions I guess about the situation in the Middle East and what the intentions were of the British government. This British diplomat announced that as a result of listening to the Prime Minister's discussion of this issue in Parliament that the embassy as a whole, all these assembled people, had reached an inescapable conclusion that the Prime Minister had made a decision to use military force. And they found this profoundly depressing because they were convinced that the decision had been made for all the wrong reasons, and that the result of the decision was going to be an absolute debacle as far as British interests were concerned, not only in Egypt but throughout the Middle East. I can still visualize this young man with his terribly long face and terribly just crumpled kind of appearance, who obviously in his own mind was looking back over really a lot of hard work for the period of the preceding two or two and a half years where they had been trying creatively and desperately to communicate the realities of the Egyptian situation and the realities of Nasser's government back to London, only to discover that in the clench they had no impact.

A second observation was that a few more days down the track I had run into my French counterpart at some social occasion and had been told by him that for the first time in x number of years, he was without his wife and children. The story came out that he had sent them back to Paris. As I questioned him gently I learned that he was not alone, that there had been a kind of quiet evacuation of dependents from the French Embassy that morning. This was an evening social affair, and as much as I realized that this was a significant fact, it wasn't going to do any good to try to find somebody at the American Embassy at 11:00 that night. So the first thing the next morning I immediately went to my boss in the political section. I reported what I had been told and then added, "As I have reflected upon this overnight what this says to me (having known this young man quite well...and recalling that he had started out as a graduate of St. Cyr and had been a professional military officer for the first eight or nine years of his career before switching over to the diplomatic service...and so I had not only the reaction of a person who was a civilian diplomat but also a previous military guy), is that I think this means that the time of French, or perhaps some kind of French and Allied attack on Egypt is only a matter of days, if not hours away. When it gets to the point where the French Embassy evacuates its dependents very quietly, almost secretly, then something is going on."

I was a little surprised to discover that my boss, the chief of the political section, immediately latched on to this and said in effect, "I think you have stumbled onto something that is terribly significant. Get it into a telegram. While you start writing the telegram I am going to go in and tell the Ambassador." Well, we got that telegram out as quickly as we could. This was one of the first indications apparently that official Washington had that indeed the French were serious about being stupid.

Q: Were you at all getting any emanations from our military attaché section or from the CIA station there about this and were all of us looking at it the same way that this wouldn't make

sense?

HANDYSIDE: I don't have any real recollections about that. But more generally my recollection of this particular American Embassy was that there were no great chasms. Certainly what the economic section and the political section thought was pretty close together. My recollection of my conversations with the members of the station that I knew and knew well, was only a difference of degree. We were both, I think, in the camp of saying this was entirely acceptable behavior on the Egyptian side in terms of an emerging, newly independent national state and that we discounted fairly thoroughly that this was being orchestrated, as some were charging, by Moscow. And also we all seemed to sense that just as Mr. Eden had some preconceptions about what ought to be going on in the Middle East, there were people in Washington who were in the same intellectual situation. Therefore some of the noises that were coming out of Washington, such as the Suez Canal Users Association (which as far as the staff of Embassy Cairo was concerned quickly became an absolute joke), nobody paid any attention to.

The Australians, during this period, sent one of their distinguished political gentleman as an emissary to the French, the British and the Americans, to Cairo, with an enormous retinue. They were immediately put into a completely separate building near the Australian Embassy. I remember that particularly because Washington had sent out a very special security team to help the Australian Embassy beef up the security on this building. This was not only top secret but plus, plus, plus and nobody was supposed to know. This was the first time that I as a civilian diplomat had ever been exposed to the technology that made it possible to discover what was going on in a room by focusing sensors on a pane of glass from the outside. This was one of the things that we had to deal with. They put new windows in, or something, because this was one of the worries. I also remember this particular period of time because in one of my conversations with my Australian counterpart, I had been indiscreet enough to say that I thought this was a rather foolish expenditure of resources because it obviously wasn't going to make any impact on the Egyptians and it wasn't going to be persuasive as far as Nasser was concerned because the whole concept of the Suez Canal Users Association was so frivolous and so totally out of place in this particular situation that no one in his right mind could expect the Egyptians to pay any attention to it.

My comment was duly reported up the chain of command to the Australian DCM who in a fit of rage, I gather, called Pete Hart, our DCM. The one time in my Foreign Service career I was called to front and center in the DCM's office and got a tongue lashing. The tongue lashing was not only that I had to confess that I had been wrong, but then I had to go over and tell the Australians that I had been wrong. So I had to go over and apologize for my indiscretion to the Australian Deputy Chief of Mission, whose name I have forgotten after 35 or 40 years. But in any event I said that I was wrong because that was what I was instructed to say. But at that time and now 40 years later, I still think I was right.

Q: Of course the thing was the Suez Canal Users Association was a pet of John Foster Dulles who was our Secretary of State. It was a lawyer's solution, I think, to a political problem and that doesn't always work. Well, what were your experiences with the attack on the Suez with the French, British and the Israelis?

HANDYSIDE: Well, my experiences fell into two categories. One was by this time I had been pressed into service as a part of the Embassy's evacuation machine. We organized and executed one of the first evacuations of an American community, not only out of Cairo but out of Alexandria, that I think any American Embassy had been called upon to perform. This took a fair amount of preparation and a fair amount of doing. I still have a vivid recollection of coming into the Embassy one morning and finding this enormous crowd of Embassy wives and children camped all over this carefully manicured Embassy front lawn that no one was ever allowed to walk on before, waiting for the convoy to assemble, load up and move north to Alexandria to board the American Sixth Fleet ships that were coming into the Alexandria harbor.

Another one of my recollection was being on the roof of the Embassy or on the roof of my apartment watching the British bomb the airfields both on the east of Cairo and on the west of Cairo and watching the bright, white flashes of high explosives as they tried to put these airfields out of business. I have very real recollections of walking around my neighborhood and one night I stumbled into an Egyptian army machine gun nest. Needless to say, I was terrified at the prospect. But by this time I had learned a little bit of Arabic and I managed to identify myself and tell them that I was terribly sorry but I was on my way home from work at the American Embassy. The soldier in charge came out and examined me very closely and told me to get myself home and stay there.

Another thing you will be particularly interested in. One of the family groups that I encountered that morning as I came in and discovered all the evacuees stretched out on the front lawn was one of our classmates, Owen Roberts' wife and their three boys. The thing that impressed me particularly was that most of the time previously whenever I had encountered the Roberts family these three active little boys age about 4, 6, and 8, were in a state of constant activity. They consistently gave the impression of things going on. One or the other of them was always into something. This morning when I encountered the Roberts family, each of these three little boys was seated on his suitcase and he was not moving a muscle. Jan Roberts, Mama, was very much in charge. There was no fooling around by those three youngsters.

The other thing that impressed me in a sense was the skill with which the Embassy was managing its part of this crisis. Even though we really hadn't done very much of this kind of thing before, and the requirement came very late, we managed to organize this thing and were ready to go at a time when certainly none of the other embassies in Cairo was. We had sorted out who the people were that we would send out and who the people were who would be kept because we were going to need them. We had done this in sufficient time so that there was time to reflect on it and time to implement the decisions in a systematic and sensible way. So I was introduced, if you will, for the first time to a theme that became prevalent throughout the rest of my Foreign Service career...the whole business of crisis management.

One of the things that I remember particularly, that struck me then...sometime after the attack was over but we were still in the middle of the mess, I had occasion to go see my Canadian counterpart and to discover that they were having a terrible time because the officers in the embassy were not only having to do their own typing, they were having to do their own cryptography. They had made the awful mistake of sending not only their secretaries but their code clerks out of the country. This boggled my mind. How any sensible set of officers

projecting forward what the institution, i.e. the Canadian Embassy, was going to be called upon to do over the following two, four, six, eight, weeks, would have made that kind of empty headed decision. We kept four Foreign Service secretaries and virtually the entire communications and records crew, recognizing that we couldn't run an embassy without them. We sent lots of other people out. Most all of, with maybe one exception, the economic section had been sent away. But we certainly had our infrastructure people that were required to enable the embassy to function.

The other thing that I think was apparent throughout this whole business was that we couldn't figure out at that time (and I don't think anybody has really figured it out since then, although again I have to footnote that by saying that I have not read all of the stuff that has been published about this crisis over the years, but we certainly were not aware at that stage of the game) the extent of the interaction between the French and the Israelis or between the British and the Israelis. It was obvious from what they had done together that they had been planning this for some period of time, that the political decision must have been made very early on. The political decision had obviously been made by London and Paris to involve the Israelis in the first place in spite of the downside of that in terms of their relationships with the rest of the Middle East. This certainly became apparent because one of the first things that happened after the attack was that all the British were kicked out and a special train was laid on and Sir Humphrey Trevelyan took not only all the staff of the British Embassy but whatever Brits were left in Cairo across the border into Libya. They were all put on that special train which was in effect sealed and despatched from Cairo main station up to Alexandria and westward to the Libyan border. It was at that point I learned later via reports from the British Embassy staff, that Sir Humphrey had, as he properly should have, been the last British subject to cross the border into Libya. This really impressed on me one of the responsibilities of command in a situation that really one would hardly ever expect to find an ambassador in. And I marveled, and still do, at the fact that somewhere along the line Sir Humphrey had either been apprised of this sort of thing or had figured it out for himself, that he indeed was the primary hostage and that he had to see to it, therefore, that everybody else was across the border into freedom while he still had some leverage left. I suppose he learned it the same way I did having watched somebody else do it.

Q: Now what were you doing? Were contacts still going with the Egyptians?

HANDYSIDE: At this point, Stu, I can't really be certain because I had been in effect taken away and put into the evacuation mechanism and even though I had never had anything to do with communication type radio equipment I certainly learned an awful lot in a very short time. I was one of the people who within a matter of...I was called in by the DCM and was told that I was tasked to do this. I wasn't to do anything else. The DCM reminded me that we had the typical kind of evacuation communications systems in the Embassy, that we had never been able to make them work, and that clearly there was a possibility that we were going to need an emergency communications capability and need it desperately. The DCM made it very clear that my task for the foreseeable future was to work with one of the communications technicians and get that damn radio station so that it would work and work consistently. So I learned an awful lot about communications equipment at that stage of the game. In order to get the equipment properly operational and tuned up and in order to make sure that it was in working order, meant a fairly substantial test program, etc. So I got to know intimately the tiny little room up in the attic

of the Embassy where this equipment was located.

This was one of the fascinating things because we as an embassy had a public posture of not getting terribly excited about the crisis. Partly this was because we each saw it this way and partly because this had been the gist of the instructions from, by this time, a new ambassador, Raymond Hare. All the resident Americans and most of the foreigners (diplomats, businessmen, academics, etc.) were watching the American Embassy, and at the American Embassy it was obviously business as usual. They saw what was going on at the British Embassy where people were increasingly revolving in ever smaller circles and they were watching what was going on at the French Embassy, particularly as word of the evacuation of the French dependents had spread through the community, and they saw a fair amount of near frenetic activity there. Yet the Americans were sort of sitting over there fat, dumb and stupid and not doing anything.

But what really shook up the Cairo population, those who were kibitzers of the diplomatic corps, was that within less than 24 hours after the attack began we had five ships in the Alexandria harbor, we had a convoy of people on the way to Alexandria from Cairo evacuating some 300-350 Americans, we had a radio station on the air where we were communicating not only with the other two American posts in Egypt, that is Port Said and Alexandria, but we were communicating directly with the Sixth Fleet and with other Foreign Service posts in the area. This was non-scrambled communication so the word spread around that if you tune your dial to whatever the correct frequency was you can hear the American Embassy. Within less than 24 hours after the attack, our business as usual had disappeared totally and we were obviously up to our ears in all kinds of activity designed to take care of the American community and at the same time to keep abreast of what was going on politically and militarily.

Q: Were we saying that we were not part of this?

HANDYSIDE: Not that I recall, but as I say my recollection of the political evolution of this problem after a certain point is zero because I didn't have anything to do with it.

Q: Then what happened? We announced our displeasure after the attack and the Soviets weighed in at the very end. What was the Embassy doing after the attack fizzled out?

HANDYSIDE: Then the job became one of picking up the pieces afterwards. This was one of the times when our faith in Washington was restored, if you will, in the sense that as the Israelis dragged their feet about evacuating Sinai and back into the Negev (they obviously wanted to profit from their military adventure by occupying a good part of the Sinai Peninsula), President Eisenhower said in effect, "Over my dead body." And for the first time those people who had been convinced that Washington was going to cave in whenever Israeli interests were at stake were surprised and in a sense delighted to discover that the President meant business. And he meant business sufficiently so that the instructions that were given to the Secretary of the Treasury were to start using some of the financial tools that we had available at that stage of the game to precipitate the bankruptcy of the state of Israel unless and until they pulled their forces out. It was finally the financial pressure after some six or eight weeks that finally forced the Israeli government to throw its cards in and pull its forces out of the Sinai Peninsula. So it took a fair amount of time and it took a determined President using the financial pressure tools that he

had available to him. It was clear that Eisenhower was absolutely adamant on this and in spite of all the pressure that he must have been under to the contrary, he stuck to his last and did what was required which was to restore the status quo ante insofar as military deployments were concerned.

Q: Well, you left there when?

HANDYSIDE: About a year later. It was something like August or September 1957. There was no time for home leave but I went off for a three week vacation in the green of southern Germany. It was interesting. I hadn't been aware of how acutely I had missed fresh green color in the monochromatic landscape of Egypt until I got to the mountains of southern Germany and suddenly discovered "Hey, I remember this. This is the kind of place I grew up in."

Q: I had the same feeling when I flew in a couple of years later from Dhahran, Saudi Arabia, to Germany. I think we will end this session in a minute. But what about the time after the Suez War, did you find a change in the Egyptian attitude towards the United States, were all Westerners sort of condemned or did you find the fact that we played a pretty honorable role in this thing a benefit?

HANDYSIDE: Sort of yes and no. I think that amongst the Egyptians who had some sense of what in fact had gone on, amongst the Egyptians, for example, who were aware of the pressure that Eisenhower was putting on the Israelis, there was indeed a sense that the Americans had done something really quite unusual. But insofar as broader understanding or even the next step of appreciation, I think that was limited. I think there was an appreciation generally amongst people in Cairo that the business as usual American Embassy had suddenly been galvanized into a hot bed of systematic and effective management and that this kind of refurbished the impression they had of the United States of a doer and a problem solver more generally. We were the people who built effective automobiles and air planes, etc. and this was just one more local manifestation of our technical capability to make things happen.

But I think as far as the typical reader of an ordinary Cairo newspaper and the listener to that wonderful Egyptian radio station called The Voice of the Arabs were concerned, they didn't see it terms of American credit at all. What they saw was that their chief, Gamal Abdel Nasser, had really dealt a blow to those Western imperialists, colonialists, the French and the British. And that all by himself, singlehandedly, or with some help of the Egyptian military, Nasser had thrown back not only their colonial overlords but also their arch enemy, Israel. And I think as far as most people in Egypt were and are concerned, if you talk about the masses of people, the Canal nationalization was a problem that the Egyptians solved by themselves.

Q: Okay, then why don't we cut it off here and the next time around we will pick up your going to Arab training and going to Beirut, etc.

HANDYSIDE: Sounds good.

Q: Today is April 28, 1993 and Handy, before we get out of Cairo you told a couple of stories off tape that I would like you to repeat. Let's talk a little bit about Ray Hare. He had definite ideas of

what young a Foreign Service Officer should and should not wear. How did he impart that?

HANDYSIDE: Well, this was all part of the larger problem that the Ambassador faced when he arrived in either late 1956 or early 1957. He found an embassy that had eroded insofar as his understanding of its primary objective and really what it was all about. This came as a result of the sharp setback to the United States when the Egyptians decided that having been turned down by the Americans in their request for arms assistance they shifted at least ostensibly to Czechoslovakia, although it was in effect to the Soviets in Moscow. For a whole series of these reasons, the people in the embassy were at a loss to figure out whether we were going to pick up the stitches and start again given the fact that the thing that had been the most important as far as the Egyptian government was concerned was something that the United States government had been unwilling to participate in or cooperate with. So that when the Ambassador came in he found that he had a whole lot of sort of tightening up, pulling up of the collective socks of the people in the Embassy. He went about this in a series of ways. One of the things that he did was to make sure that the tried and true traditions and operational standards of the Foreign Service were once again reapplied in Cairo after having been absent for some period of time.

One of the things that I have particular recollection of was his methodical, very systematic and very detailed approach to one of his first sort of introductory receptions to the economic and business community in Cairo. He turned this responsibility over to the chief of the economic section, Bob Carr, and in effect said, "I want this to be run as a Foreign Service reception is supposed to be run to guarantee that we get the maximum amount of profit out of the taxpayer's dollars." So Bob began to have a series of planning sessions with all of the key people in the Embassy who were going to participate in the reception. My recollection is that there were some four or five of these before the reception actually took place. The gist of them was the setting up of defined areas of responsibility and defined rosters of people who were to be there to carry out these responsibilities.

For example, there was a list of some 20 Egyptians drawn up who were to be given very special treatment. They were not to be without an American in the conversation group at any time that they were in the Ambassador's garden. In order to organize this they had to be specifically identified and then groups of people had to be tagged to take that responsibility and there had to be a kind of cascade arrangement so that as soon as one person was relieved he went to find the person who was the next on the list after the person who was actually on the duty station at that moment. So the kinds of behaviors that we had learned under the previous ambassador were erased and were replaced by the proposition that young Foreign Service officers had the responsibility to share the hospitality, the host responsibilities, with the ambassador and the ambassador's wife. Such things as being around to introduce the newcomers, the guests to the ambassador in the receiving line or being around at the end of the receiving line to take people off and get them started into the party. We came very quickly to realize that was only 10 percent of what the responsibility was.

The final bit of planning for this...one of the things that the new ambassador had heard via the grapevine was that previous ambassadorial parties, particularly receptions in the garden, had just gone on for hours and hours and hours and people sat around slopping up the ambassador's booze until 11:30 or 12 o'clock for a 6:30-8:30 cocktail party. Ray Hare said that he was just not

going to have that. How do we plan to take care of that? Well, as the most junior officer in the embassy, I had the unenviable responsibility of being the protocol officer, and so I got particularly involved in this. We finally figured out that the way to do it was to organize the extinguishing of the lights in the garden. So there was a plan arrived at, and when the time came at the witching hour, I think he said at a 6:30-8:30 reception we will really start moving them out at 9:00. So just a few minutes before 9:00, I busied myself and got the lights in the farthest, deepest part of the garden turned off. And then roughly every four or five minutes after that I would turn off another section of the lights plunging the garden into absolute darkness and very quickly getting the point to the hard core that was still around that they had better, like good and faithful moths, follow the lights to the front of the garden. Finally by about 9:20, the only lights that were left in the garden were at the very front of the garden where the entrance/exit was. The Ambassador and Mrs. Hare had long since gone into the Residence so these people really did understand that they were the hard core and they were being signaled to go.

So, there were certain formal ways that he did this. He did it through staff meetings. He did it through these special planning meetings for the Foreign Service representation functions, etc.

Subsequently, we discovered that he also carried out this process of imposing this new discipline on Embassy staff in a series of very informal ways as well. One of the ones that I was the direct recipient of...during Ambassador Byroade's tenure in Cairo, it had become common practice for people who went back into the Embassy over the weekend to work to dress quite casually, not in grubbies, but certainly in sports clothes and in the heat of a Cairo summer, sports clothes meant shorts as well as an open neck shirt. Late one Saturday afternoon after I had finished the task that I had gone back into the Embassy for, this was probably around 5:30 or 6 o'clock, I was on my way out of the main building. I had reached the Marine Guard desk and had started to sign out when the door to the Ambassadorial suite opened and out came Ambassador Hare. He took one look at me in my open neck shirt and my walking shorts and said, "And whose little boy are you?" Well, precisely as he anticipated, it wasn't very long before I had spread the word to all the people in the Embassy that I knew that the era of coming to the Embassy even in off-duty hours in sports attire was a no-no.

And there were a whole series of things of this nature that Ambassador Hare got started or initiated so that word began to spread quite quickly throughout the Embassy staff that the new ambassador had a different set of standards, and he was going to make sure that they were adhered to.

Q: You also mentioned one other thing which I thought would be very useful to pass on and that was he took some time to sort of instruct you on telegram writing.

HANDYSIDE: Let me interject one other thing because it is sort of a measure of what we have just been talking about in terms of getting the maximum benefit out of taxpayers' dollars spent on representation. Soon after this initial process of pulling up the institution's socks was well underway, the Ambassador and Mrs. Hare started down the track of making sure that the people who were called upon to be co-hosts at their various representational functions had a real understanding of what they were up to. This began in the planning of a particular ambassadorial dinner, for example, when the Ambassador would gather the members of the Embassy staff in

his office, those who had been invited to participate in this upcoming representational function, and he would lead a general discussion of why he was having this reception or dinner, what the informational targets were that he was hoping to reach by having this dinner. Then starting down the guest list, he explained that this person had been invited and that person had been invited because they had access to such and such information or they had opinions that were of interest to the Embassy. Then there was an assigning of responsibility for those officers or staff who would pursue specific topics with specific guests. So prior to the arrival at the Residence for this reception or this dinner party, all of the Foreign Service people who had been assigned a responsibility as co-hosts, would have a very precise idea of what it was the expenditure of money was supposed to achieve. Then we would all gather at the Residence, for example, perhaps 30 minutes before the first guests were supposed to arrive for a quick review of that first session just to make sure that everybody remembered it and to ensure that if anything had happened between the planning session and the actual dinner date, any new developments or nuances of bits of information, that these new considerations were brought to the attention of the people who were helping out. Then we would go through the business of being as personable and scintillating dinner companions as possible.

After the last of the guests had departed, all of the Foreign Service crew would gather together in the Ambassador's study. We would have a drink and put our feet up on the nearest couch, or whatever, and then we would say, "Okay, what of our objectives did we achieve?" The Ambassador would then go around the circle and say, "Did you get to talk to the Minister of such and such and if you did, did you find out so and so?" And so we would all sort of report. He also used that session as the tasking session for people to produce the follow up telegram or airgram that was to report and explain this piece of information or the subject about which the inquiries had been made. It was a real working session. This came, for me, having spent some eight or nine months in the previous ambassador's regime where there was absolutely none of this at all, as a revelation in terms of learning my profession as a Foreign Service Officer.

Then to the query you had made earlier. Ray Hare had a sense of his responsibility as a senior officer in the Foreign Service to the continuation of the institution. In his estimation one of the most important things that he was required to do was to make sure that the youngsters coming into the Foreign Service and to his organization were properly and thoroughly trained. And so, during the course of the following year or so, since I was the newest arrival and the youngest officer in the Mission, the Ambassador took it upon himself to make sure that I was properly trained from a professional point of view. He did this first of all to get better service out of me during the course of day-to-day work. But he also thought he had a responsibility to make sure that when I moved on to a follow-on assignment, that I really had learned what I was supposed to learn during my first tour of duty abroad.

Ray Hare's mentioning consisted of sort of seminar type instruction in what kinds of things ought to be in the drafting officer's mind as he sat down to compose a telegram or airgram to report a particular development or to interpret a particular development to Washington. One of the things the Ambassador was particularly insistent upon was that before putting pen to paper one had to have a very exact and fairly detailed understanding of what the reporting officer as the author wanted to accomplish with this particular piece of paper when it got back to the Washington community. At whom was it directed, loosely at what floor of the State Department was it

directed or at what other government agency in the Washington community? And most importantly, what do you as the drafting officer want that group of people to do about it after they have read it? Is it simply that you want to make sure that they are aware of this particular development or this interpretation or analysis of three or four events? Or do you have something further in mind that, for example, you are recommending in effect that they get started on planning and beginning to execute a specific course of action? His message to me was you have to get this kind of matrix lined up before you start writing even the first sentence because everything that you write has to fit this pattern and further the basic objective of providing this piece of paper. We finally worked that through and I began to get that idea a little bit.

Then he went on to the next step which was to make sure that this piece of paper is cast in such a way that indeed it is going to achieve the objective that you have for it in terms of the Washington community and not perhaps inadvertently distract the Washington recipient from that basic purpose because you have inadvertently or emotionally kind of stuck your finger in Washington's eye. So one of the things he taught me how to do was to after finishing a complete draft was sort of figuratively getting up from my desk chair and walking around to the other side of the desk, picking up the document that I had placed in the middle of the desk and rereading it from the point of view of the Washington recipient. Trying to put myself in the mindset of the Washington recipient and trying to figure out how what I had written as an embassy officer would be perceived and would be apprehended by the person at the other end of the telegram chain. Difficult tasks, perhaps impossible, really to carry out in any complete fashion, certainly for a very junior officer who at that point had never had a Washington assignment, but nevertheless a very useful intellectual discipline and certainly most useful in terms of professional development.

JAMES O'BRIEN HOWARD
Agricultural Attaché
Cairo (1955-1957)

James O'Brien Howard was born in Alabama in 1915. He received an A.B. degree from Birmingham Southern College in 1936. He then went to Iowa State University and completed his M.A. degree in 1937 and his Ph.D. in 1939. He began his career with the Department of Agriculture in 1939. He became a foreign affairs officer with the Foreign Agriculture Relations department of the U.S. Department of Agriculture in 1953. Mr. Howard was interviewed by Charles Stuart Kennedy in 1993.

Q: On the international field, do we have great rivals in cotton anywhere?

HOWARD: Oh, yes. Among the major cotton producers of the world are Egypt, which produces a very fine long staple cotton, and India, which produces a very short staple cotton. But it is produced widely over the world ...Pakistan, South America, Central America. So there had been organized an International Cotton Advisory Committee, which was a intergovernmental organization of these producing and major consuming countries, like the British, etc. One of my

functions was to work with this intergovernmental organization in pulling together intelligence and sharing information about expanding markets and that sort of thing.

Q: On the foreign policy side, were we trying to stop the Indians or Egyptians who were overproducing?

HOWARD: Yes, of course we would through normal diplomatic means. But we didn't have any arm-twisting techniques that I particularly recall now. We would not only go directly through our embassy or through the Department here working the Agricultural Counselor from Egypt, etc., but we would also use this International Cotton Advisory Committee. And the Cotton Council would be over there working with the cotton spinners of England, to influence them. The Sudan was another big cotton producer. They had a million acres under one management. It was flat as a table. We used all the normal tools of diplomacy to influence these things.

Q: I notice you mention two of our great rivals in cotton were Egypt and India. It is no secret that at that particular time our foreign policy was very heavily influenced by the Secretary of State, who was John Foster Dulles. On a personality basis, Nehru and Nasser were probably two of his least favored people in the world. Did this have any effect at all?

HOWARD: It certainly affected my next assignment.

Q: Of course it did, but at this time did you see any instances of this?

HOWARD: The agricultural counselor from Egypt who was here was an able man and easy to communicate with, but our interests were different. They wanted to produce as much as they could and they wanted us to be the residual holder of the world. So we weren't on the same wavelength. But I don't remember this national politics being a significant factor in it. But it could have been. I was just a junior officer then.

Q: We then move to your next one where the Nasser/Dulles relationship becomes more important. You went to Cairo from 1955-57. How did your assignment to Cairo come about?

HOWARD: It was a rather natural one. Again I had been in Washington, not quite three years, but quite a bit. I had enjoyed my first agricultural attaché assignment and my wife was quite willing to go. Since I had been in the Cotton Division, this was one of the world's major cotton producers, it was rather a logical assignment as soon as I said I was willing to go abroad. In fact I had been asked to go to Spain, but I felt I was so new in the Cotton Division that it might look bad for FAS to pull me out. So they left me there for a few months and I was then told I would be going to Egypt.

A small personal note. Remember I had written speeches for a Democratic Secretary of Agriculture. That made the Eisenhower group look at me with some suspicion, I suppose. So they held up my security clearance. We were on tenterhooks there for a while, but I think the thing that convinced them that I wasn't so bad, was...as I mentioned the subject of my Doctoral had been Elihu Root, who had served in the Roosevelt Cabinet as Secretary of War and Secretary of State. A good solid Republican. So they decided to let me go ahead and go to Egypt.

Q: So you were out there in 1955. This 1955-56 period was a very, very interesting period. What was your impression of not just the agricultural side, but the situation in Egypt when you got out there?

HOWARD: Stu, I served in a number of countries and traveled fairly widely and this was one place where I always felt like a foreigner. You just never felt you were in a friendly environment. Remember that Egypt had been ruled so long by the Turks and then the Brits. It had been so long since they had a period that they could feel proud of...3,000 years. They were suspicious of Westerners in general, to start with. Not us more than others.

In the beginning, remember Nasser had decided that he must build the Aswan Dam and bring another 23 odd million acres under cultivation to provide for his expanding population. It was one of the most rapidly growing populations of the world at that time. So he was looking for financing on this high dam. Secretary of Dulles was giving him some encouragement that we would help. He was playing the Russians at the same time that he was playing us. So it wasn't the most comfortable diplomatic situation to be in.

Q: At that time what were we thinking would be the result of the Aswan Dam, which was a major key to a lot of things that happened later on. Would it help Egypt or would the long term outcome be disastrous? What were we thinking at that time?

HOWARD: I don't recall what the US government was thinking, but I remember doing an analysis of my own. I think they were going to increase the productive acreage of the country about 25 percent and it was going to take seven years to build. I took the population growth and projected it for that seven years and came out with the figure that they would have no more land per capita when they finished than they did when they started. I don't know what that added up to, but their population growth was a major factor.

Q: Was there concern that by stopping the flow you would (1) end up with a lot of silt behind the dam and (2) this silt played an important role in making the banks of the Nile fertile and if stopped would have an effect on agriculture? Were we looking at it in that way?

HOWARD: They were going to have a means of opening the gates and letting the power of the river wash on down when the river was at major flood. I can only remember that it was a controversial issue, but from the Egyptian standpoint it made sense.

Q: How did you find working with Egyptian officials?

HOWARD: Sticky. I don't know if it was my responsibility but we pulled a coup by hiring as a local assistant in my office a son of the Under Secretary of Agriculture, Mohammed Desuki [ph]. That meant that the Minister of Agriculture had an open channel into my office, but it also meant that I had good cooperation from some branches of the Ministry in getting figures. As far as we were concerned it was a very good trade-off. Mohammed Desuki wrote good English. He would get the facts. I had an American assistant there at that time, too. We would work it over and put in our own input. But we got good data out of the Ministry of Agriculture and we were able to do

reports that were highly regarded as I recall back in Washington.

Q: Did we have any agricultural disputes with Egypt at the time?

HOWARD: Yes. A digression. The Chairman of the Agricultural Appropriations Subcommittee of the House Appropriation Committee was a gentleman named Jamie Whitten, a Congressman from Mississippi. He just gave up that job a couple of years ago. I think he held that job for three or four decades. Jamie Whitten was absolutely adamant that we do nothing which would help cotton production in Egypt. In another building of the Embassy was AID, the Agency for International Development. They had a good staff there. And they had an agricultural person. Well now, this defies reason that you are going to give technical assistance to Egyptian agriculture and it is not one way or another going to help cotton. Whatever you are working on is likely to have implications for cotton. This created many awkward situations that I would get involved in to some extent with the Ambassador and the agricultural person from the AID mission.

Q: Who was the Ambassador at that time?

HOWARD: Hank Byroade and Raymond Hare were the two Ambassadors I served under there.

Q: How did you find them?

HOWARD: Hare was a career man. Byroade I never felt comfortable with, or felt close too. He was a military man and apparently a very able man. But he wasn't interested in agriculture, so I did my thing and he never got in my way. I went with him to see Nasser about something on a ceremonial occasion. But didn't see a lot of him.

Pete Hart was the Deputy Chief of Mission.

Q: How did the nationalization of the Suez Canal affect our Embassy and you in particular?

HOWARD: It affected the Embassy dramatically and I need a stronger word for what it did to my work, because my job involved travel. I was heading a regional office that covered Syria, Lebanon, the Sudan and Egypt. I had a part time local assistant in Syria and another one in Lebanon. I had a full time American assistant in Cairo. He and I covered Egypt and the Sudan by travel. With the nationalization, bingo, no more travel. No travel out of Cairo. No travel down to the delta of Egypt. How can an intelligence gathering office like ours work without being able to get out? Mohammed Desuki could get out and my local assistants in the other countries could. But it made a tremendous difference.

Q: What were the reason for not allowing travel?

HOWARD: Personal security. Afraid that the antagonism to...you couldn't tell from my looks whether I was an American, an Australian or a Brit, and it just wasn't safe.

Q: Before we move from this period, you mentioned that you were doing regional work. What

was the situation in the Sudan? Was the Sudan at that time still under British rule?

HOWARD: The Sudan became independent during this time. The American Ambassador was a man named Lowell Pinkerton. He had been an inspector, in fact he had inspected Portugal while Guggenheim was the Ambassador there.

Q: How did he find it in Portugal?

HOWARD: He came to dinner in my home in Cairo as he was going to Khartoum. It was just he, my wife and I. I said, "Mr. Ambassador is it true that Ambassador Guggenheim dropped a spoon down the bosom of the wife of the Portuguese Foreign Minister?" He said, "Jim, he not only dropped it, he went in after it." So when Guggenheim was brought back for consultation and returned to Lisbon, he said, "He didn't bring me back for consultation, he brought me back to fire me."

Anyway, Pinkerton was an able person. He invited me down to Khartoum to stand up with him when he presented his credentials. If I may take a moment, there weren't very many people there who could record this story. The Sudanese government sent a car for each member of Pinkerton's party. There were four of us. I was the junior, the fourth. They sent a red Ford stationwagon. In it was a member of the Foreign Office, who turned out to be the number two man in the Foreign Office. I said to myself, "This speaks well of the Sudanese. They respect the importance of agriculture enough to assign a man of this level to be my escort." As we chatted I said, "By the way, how many people do you have in the Foreign Office?" "Two."

The Sudan in those days was fascinating to a young curious person like myself. You go into the Ministry of Agriculture and they would have four or five departments. Each one was headed by a trained professional. These trained professionals were generally able people. Let's say we were talking about the production aids to the cotton department. If you got below that man all you got were clerks. The Brits had educated enough that they had half a dozen or so people in the Ministry of Agriculture, each heading these units, who were very able. But below that there were just clerks who were of no help whatsoever. Those that were educated were cooperative.

Q: The Sudan was supposed to be the cream of the crop as far as the British were concerned. They sent their best people there and felt they were doing their best there. The Sudanese Colonial Service had quite a reputation.

HOWARD: Yes, and I know nothing to argue with that except in the field of agriculture it was infinitely too limited.

Q: Did we have any particular problems with the Sudan, outside of reporting what this massive cotton producing state was doing?

HOWARD: No. But I would like to contribute two stories. I mentioned this billion acre cotton plantation which was called the Gezira Scheme. We spoke of it as the Gezira Plantation. It was created by British textile interests. I wouldn't say when, but it probably was encouraged by our Civil War.

Q: Your kin made the calculation that cotton was king and if they held out the cotton the British would have to come in, and it didn't work. It was called Egyptian cotton in those days.

HOWARD: Well, I am not sure how that date tied in with the start of the Gezira scheme. I suspect it was somewhat later.

Q: I think it was because the British, the Egyptians lost control at the turn of the century.

HOWARD: When Mahdi defeated Kitchener and slew Gordon.

This plantation was well conceived, well engineered. It had been run by British technicians using an underlayer of Sudanese. Now Sudan was becoming independent and this would affect the Gezira Plantation. I don't know exactly when, but by the time I got there, there was already a Sudanese director. He hadn't been director very long, but I recall the man. His name was Mickey Abass [ph]. A big, black, fine looking human being. Well-spoken. He had come up from the ranks and the Brits had taken an interest in him and sent him back to England for an education. He married a white, Scottish MD.

I was travelling over there with a journalist from the Saturday Evening Post named John Bird. John Bird and I were entertained by Mickey Abass and his wife. I recall flying in there in a small two-seatter plane. The captain took us around and let us see it. It was amazing. It was beautiful and functional. They were at that time in the process of creating another dam to expand this area quite appreciably. I think it finally went through, but I haven't followed it. Okay, that was one story I wanted to tell you.

Henry Cabot Lodge was our US Representative to the UN at the time. Lodge and his wife came down to be present at the presenting of credentials, or just after, to welcome the Sudan into the UN on behalf of the US, obviously playing national politics. The new Foreign Minister entertained him nicely. They had a dinner which was given in the night club in Khartoum. The night club was a structure with a dirt floor and grapevines over the arbor to keep the sun out. There were card table like tables around. We were all sitting there and they served the dinner. There are two things I recall. One was the ease with which Lodge moved from table to table ingratiating himself and chatting with all these people. The other was the Press Officer for the Sudanese government, who I found had served in Brazil and spoke Portuguese. He and I were talking in Portuguese and in English. He was in charge of keeping people's glasses filled as the Foreign Minister went around saying, "Fill up peoples glasses." The main glass that would get down was the Press Officer's. By the time Lodge left I remember the Press Officer rushed out and opened the door for him and couldn't find the handle which was part of his car.

Q: Let's go back to your time when you were in Egypt. Nasser nationalized the Suez Canal. Everybody was confined more or less to Cairo. It was obviously a time of hostility and tension between the Egyptians and Westerners. How did you operate in those days?

HOWARD: I can't remember in detail, but Mohammed Desuki would go out and get information and there were the Egyptian publications which he would translate, and we had access to the

telephone. So we continued to grind out the reports that were due. They just weren't quite as detailed as they might otherwise have been.

Q: How did the Embassy respond to what became known as the Suez Crisis? We are talking about the fall of 1956.

HOWARD: There was considerable concern about security. The Embassy buildings were all within a compound with a wall around them. There was a gate at the entrance and there was always an Egyptian who stood there as a guard and acted as a receptionist as well. The gates were always open and no one was barred from entering.

On this particular day, I was somewhere around town and I decided to stop by the Embassy and get briefed on what the latest news was. When we got to the Embassy the gates were closed. That was a traumatic experience to drive up there and see those gates closed.

You may recall that the Brits were bringing out their dependents and the French were bringing out their dependents. We were not. We were saying that we were going to work with Nasser and saw nothing to worry about and left our dependents there. This was a source of some anxiety for all of us in the Embassy. My home was out in Madi, which is on the desert in a suburban area some distance from downtown Cairo. In this desert area lived a number of Americans. We had a network of communications. It was my job to contact six families and give the word, whatever the word might be. We wouldn't depend on the telephone for fairly obvious reasons.

When the British decided to bring out their dependents, there was a big debate in the Embassy. The Ambassador brought in the DCM, the Administrative Officer, etc. and they debated until well into the evening what word they were going to pass out through this network. By the time it got to me it was 9:00 in the evening. The word was that the Ambassador said the Embassy was watching things very carefully. There was nothing to be concerned about at the moment. Don't worry.

I have to get into my car and drive around to these six neighbors. One of these neighbors was a young Naval MD research officer who was over there on a Naval research project. He had just moved into his house and had been unpacking all day and hadn't been into the Embassy. I went up and introduced myself and said, "The Ambassador says to tell you you are not to worry." His wife is standing there too. "I am not to worry about what?" I told him about the Brits withdrawing their dependents, etc. This got him so upset he didn't get any sleep all night.

Q: How did the actual 1956 war impact on you?

HOWARD: Before the war happened, before the invasion, things had been getting somewhat better. It looked as though the UN was going to be able to negotiate a settlement. So, I talked to Pete Hart about resuming travel. He said, "Yes, I think it is safe." So my colleague, Frank Eamon [ph] was to go to Syria and Lebanon and I was to go to the Sudan, but at different times so one of us was always there.

I found out that the Air Attaché was going to fly down to Khartoum in a Naval plane and my

wife could go if she wanted. So we arranged with American friends who had a dependent, their mother, to come and stay in our house and look after the children. Winifred went to Khartoum for her first visit, a long weekend. She flew back and I resumed my trip.

I had two missions. One was to go to the port. The Sudanese cotton came out via one track railroad that wound up at Port Sudan. I was to go to Port Sudan and study this situation, see about the chances for log jams for expansion, etc. Then I was going up the river. El Mahdi's grandson was still living on an island where El Mahdi came from and they had started growing cotton. This grandson had invited me up there to study this development. I was keen to see it because of the historical development.

I got to Port Sudan and just as I arrived the hotel clerk said that my wife had called. Well now, Stu, this is in the middle of Africa and you know your wife is not going to call to say howdy. I didn't want to show too much concern for obvious diplomatic reasons. I tried to call her but there wasn't any chance of getting through to Cairo. After asking, I was told that the next plane flew in the next morning. None of this news had reached Port Sudan. So when the plane arrived there was Jim Howard out on the tarmac. I really pulled my diplomatic passport on that one. Thank heavens it was a British captain. As he stepped out of the plane I said, "Captain, what's happening around the world?" He says, "Well, do you want to start with Hungary or with Cairo?" The Hungarian revolution was taking place. I said, "Well, Cairo was closer." And he told me what had happened.

Later my wife got through a message saying that the Ambassador said I was not to come back but to go to Rome and join them there. Now think about that. I have a wife and two small children, an office and I am told not to come back. Well, I got back to Khartoum pretty quickly and here was Ambassador Pinkerton and a couple of assistants, that was all the staff he had, and Jim Howard sitting around this big radio with ears glued to BBC, listening to the news. Eventually I flew out from there via Libya to Rome. Meanwhile, the decision had been immediate to evacuate the dependents. But how do you get them out? At first we were going to send in American planes to take them out. Winifred, my wife, was teaching math in the Cairo-American College, a high school, because they couldn't get teachers due to the crisis. All the American dependents went out and all but a small nucleus of the Embassy staff left too. Somehow our house became a source of information for that area out there in the desert. She said people were there until 10:00 that evening. She finally got the two small children asleep and the phone rang and she was told a plane was coming at 1:00 or 2:00 to take out dependents. Since she had a diplomatic passport and could get through barriers easier than some others, she was told to be present with her two children and one suitcase a piece that she would be able to carry. She said, "My children have just gotten asleep, can't I come on a later plane?" They finally agreed that she could.

Well, the plane got there and Nasser wouldn't let it land and it had to go back to Greece. So it would have been a waste anyway. They finally, several days later, were allowed to go by car convey to Alexandria. You may recall that by that time Dulles had rattled the sword a bit and said that Nasser was going to allow an American ship to get in there and get those dependents or there would be trouble. So she drove across the desert with these two small children and an Egyptian and got to Alexandria. There was antiaircraft fire and bombs that were falling, but they

were not hurt. She said that somebody struck a match to light a cigarette and was almost jumped on. So they stayed that night and the next day they were loaded on this Naval vessel that had been sent in to bring them out. This, Stu, was done on a 24 hours basis. It was a troop ship full of Marines. There were two compartments. Winifred was put in charge of the women and children in one of these two compartments. She said, "There were women who were pulled out like that who didn't know where their husbands were or couldn't get in touch with them and didn't have any money, who were pregnant, etc. It was a terrible thing."

They sat there in the harbor for hours because Nasser wouldn't pull up the mines. They had to keep the kids out on the deck with life jackets in case they were bombed. She remembers that our son was not very cooperative. But he stayed out there. Finally Nasser did pull up the mines. The Egyptian ships were right under the edge of our ship, shooting, antiaircraft fire, using our ship for protection, which didn't make them feel any happier.

But, anyway, when they did bring up the nets, every ship in the harbor started out and one cut across in front of ours. By this time Winifred was privy to the captain's discussions with the key people. He said, "Don't worry, let him go first. If there are mines out there they will harvest them."

Well, they did get out and went to Crete where they changed ships and then on to Naples where I met them. I had two summer suits and a white dinner jacket and it was October in Rome. My wife had taken my overcoat and stuck inside it jackets of two winter suits and rolled it up. It was one of the most traumatic experiences in our whole career.

OWEN W. ROBERTS
Vice Consul
Cairo (1955-1958)

Ambassador Owen W. Roberts was born in Oklahoma in 1924. He received his A.B. from Princeton University and his M.I.A. and Ph.D. from Columbia University. During World War II, he served in the U.S. Army. Ambassador Roberts entered the Foreign Service in 1955, serving in Egypt, the Congo, Nigeria, Upper Volta, Ethiopia, Gambia, Seychelles, Chad, and Washington, DC. He was interviewed by Charles Stuart Kennedy in 1991.

Q: *For your first assignment you went to Cairo, is that right?*

ROBERTS: That's right.

Q: *You served there from '55 to '58. Of course, it was sort of luck of the draw. Had you asked for the Middle East or anything?*

ROBERTS: No.

Q: What were you doing there, and what was your impression of the Foreign Service and your work when you first got there?

ROBERTS: Well, I went out there, fresh from having spent all of my post-war time in the university -- first at Princeton, and then at Columbia -- and I was totally unprepared for a working job. The Foreign Service Institute had provided background but no job specifics. I was assigned as a vice consul for citizenship matters -- welfare, whereabouts, passport. I was well grounded in the history of consular affairs and in the various consular laws, but I had never seen a single form. When I walked into the office, there were great stacks of forms, and I was supposed to verify them, sign them, and I didn't know what forms went with what activities, nor did I know what you should check for. It took me a while to learn.

The consul general, Larry Roeder, was a professional consular officer. He looked a little askance at political officers (I was not a political officer, but a Ph.D. in foreign affairs and international law) and was a little doubtful about my usefulness. He gave the other vice consul, for visa affairs, and myself very little guidance. We could always go in and see him, and he'd always give us a good opinion, and he was experienced, but in no way did he show you anything. You had to learn, and he felt that was part of whether or not you were going to be any good.

I soon found that I got most help from some very nice Egyptian and Armenian staff. I learned most of my real practical work from the staff, which was a very good lesson.

Q: Well, here you were, you came from an academic place, what was your impression of Egypt at the time? Obviously, you were not involved in the depths and the bowels of the policy formulation process, but at least you were looking at Egypt and the United States there.

ROBERTS: Well, I still tingle about that, because we were encouraged in the Foreign Service Institute to take a great interest in the country and the people and in the policy, and to participate as we could, and to consider as many of the issues as possible. But I found that vice consuls in the consular section weren't considered as "need-to-know" people. I spent two years in Cairo at a very interesting time, from '55 through the Suez crisis and the war with Israel, never being permitted to go to a staff meeting, and never permitted to read a reading file, and never permitted to have any access whatsoever to what the embassy produced or received.

That was kind of a shock, but I soon found that it was like finding out how policy was made in the State Department. You simply visited around, saw people, and talked to them, and you very soon found out what the issues were and could keep abreast of things. But it wasn't a very satisfactory way of learning how the United States was approaching Egypt and vice versa during that period.

To answer the question more broadly, Egypt was a very interesting place to be because it was just leaving the pasha period of strong British influence. Nasser had come in and was asserting new Egyptian nationalism and pride, but there was overall still a very strong element of the Alexandrian quartet.

Q: You're talking about a book by Lawrence Durrell, which was not only very popular but an

excellent study of that very exquisite little society there.

ROBERTS: The society of Cairo-Alexandria. For me it was a totally new atmosphere, one in which there was still a lot of freedom and openness, and you could do almost anything and go almost anywhere. My wife and I joined things and did a lot of archeological exploration. The embassy had asked the Archeological Institute, which usually had two or three people on a dig, if they wouldn't lead interested members of the American community on historic area picnic rambles. We would go anywhere from the Giza pyramids to maybe sixty miles south up the river. Janet and I spent much time in Egypt out in the desert. We took care of the archeological group's jeep when they weren't there, and we used that to get further out in the desert. I really liked exploring, and I found that almost anywhere in Egypt, if you had a little bit of language, there was a receptiveness, openness. You could be anywhere; at no time did you ever have to feel that you were in the least threatened. It was a marvelous place.

Q: When you were doing your sort of unofficial sounding and talking about things, what did the embassy and the senior officers feel about Nasser? Nasser was considered to have horns by the British and the French, but what were you getting from the people on the spot who were dealing with him?

ROBERTS: Well, Holsey Handyside, one of our classmates, was vice consul, political affairs, and so I did get some perceptions from him. He was a brand-new officer and not necessarily a Middle East buff, but a very practical, very realistic guy, and he felt it was clear that Egypt had changed and that Nasser was going to be a strong figure, and that we should accept that Egypt was going to be a different place and work with it.

His boss was a man called Peter Chase, who was one of the more idiosyncratic, East Coast old-fashioned, far out Foreign Service officers, who was really an academician working in the Foreign Service. He understood and appreciated Arab affairs, and thought not just of Nasser, but of Egypt as part of a whole relationship: the Arab community, the Muslim community, the history. He was extremely well grounded. His approach, however, was not totally the embassy one. He was always putting up drafts for cables, and having many of them bounce back. He was the pushing wedge to get changes in what was going on. He was just the opposite of a bureaucrat: he didn't care whether or not people agreed with him. He was interested in whether or not it was the right analysis, whether or not this was fundamentally the most sound long-term approach, what really was right. He would focus on the finest of gray and light gray distinctions, which is a fascinating concern. But he didn't really care about the policy bureaucracy and the State Department's kind of immediate interest approach or public opinion back in the United States. It seemed to me that the United States overall was somewhat reluctant to deal with Nasser and with Egypt in a newly independent, assertive state.

Q: What was behind this? After all, we're a revolutionary country and threw off British rule, and here is somebody doing the same thing.

ROBERTS: Well, it goes back; lots of international relations are affected by your partners and by your broader political interests. The U.S. wasn't isolationist then, but it was still not much world involved. The British were still one of our closest allies, and we'd sort of left Egypt to them. And

then, we were sensitive to the real defeat they suffered over the Suez in the '57 War. The United States had really stepped in there and undercut them. I have no idea what we knew of British war plans or policy process. Most everyone was surprised, so I don't think we had too much knowledge. But afterwards, we didn't want to make things hard for them.

Q: From all knowledge, all the lines of communications were absolutely shut down.

ROBERTS: Well, on the day the war broke out, I had been sent off to take care of a woman...

Q: This was around October '56.

ROBERTS: Yes, who had died in her apartment. The Egyptian police had been called to the scene and would not let me close up the rooms or remove her body. They felt she'd been murdered. Well, it was a very hot, long afternoon that I spent there. She had been an alcoholic, and there were bottles and upchucks everywhere. All of a sudden, there were bangs and explosions. The three Egyptian officers and I rushed to the balcony. We could see a few planes (it was just getting dusk) and flashes. The Egyptians handed everything over to me, said "Take care of it," and scrambled. So I sealed up the woman's belongings, got hold of an undertaker, and got her body out. It took me about four more hours. Also sealed up the apartment, as you do with isolated death cases.

Then I went to find out what was happening, because you could still hear the bangs and the booms and feel the ground shaking. I got to the most open available lookout area, which was the Gazira Club on Zemalak Island, and went up on its flat roof. Lots of club members were there, everybody asking each other who was involved. They didn't know whether it was the Israelis, or the Russians, or the British, or the French. Nobody had any idea what had happened.

I don't think our embassy was much more in touch, because we'd gotten word to start evacuation procedures about 24 hours before the bombs actually fell. When I went out on the death case, I passed my wife and three children in a convoy, which had been assembled that very afternoon and went down to Alexandria. They actually faced much more danger than the rest of us in Cairo because they had to pass near several airports and were out in the open and exposed. They were not bombed on the road, but there was bombing in various places as they went along.

Q: Was there any feeling in the embassy, particularly when Eisenhower really said this is enough, and stopped the British, French, and Israelis in their tracks by saying we wouldn't give them support and all that? Were you getting a feeling from the embassy that we should let them go, or that this was a good thing?

ROBERTS: I don't recall well enough, and I can't contribute to the record on that. The only impression I have is that the embassy had minimum time for input and that Secretary Dulles decided on our reaction very quickly. It was all handled in Washington, and through the Embassies in London, Paris, and Tel Aviv.

My first knowledge came when all staff were convoked and we were told that there was going to be an evacuation. We weren't informed there was going to be a war, just that there was a

considerable threat of conflict and that nonessential people, in all the Middle East, had to get out.

As vice consul for citizenship affairs, I was responsible for the emergency warden system and for helping organize all possible forms of transport convoys, boats up the Nile, or planes. We were absolutely frantic for two or three days getting maybe 1,500 people out of Cairo and the Sudan.

Q: Well, how about both before and after this war, what was the feeling of the Foreign Service embassy people you talked to towards Israel at that time?

ROBERTS: They were neutral. Israel was part of the bigger Near East problem but was not considered an active threat. Our main Embassy concern was England. We thought the British had simply acted in a last, imperialistic, knee-jerk way. There was considerable resentment because most of the officers I knew in the embassy felt we had not been consulted and they had knowingly dumped us in this stew. As far as Israel goes, it was felt they had gone along, out of their own interests, but had not necessarily been a sponsor. They had taken advantage of the situation, but it was really a British initiative.

Q: How about afterwards? We had been responsible for stopping this war. Did the Egyptians think we'd done a good job, or were they just plain unhappy with Westerners?

ROBERTS: Well, as a matter of fact, the Egyptians were feeling rather triumphant. The first real surge of Egyptian pride had come when Nasser nationalized the Suez Canal. It was conventional wisdom that the Egyptians couldn't run it and that they would need seasoned international ships pilots for twenty years to run it. Then the war both came and ended quickly, without too much damage or build up of hate. We got some credit, but the Egyptians felt they had largely won it themselves.

Q: Oh, I remember that. Oh, I remember that.

ROBERTS: For about six or seven months before the war, the Egyptians managed the canal beautifully. There weren't any sinkings or collisions, Egypt collected the revenue, and there was a great deal of pride about that. I think the Egyptians were very surprised, as certainly surprised as we were, at the combined attack. But it was such a brief affair. You remember that the troops largely landed in the Suez, and got only about 20 miles up the canal before the war was called off. There had been casualties but no lost battle. Egyptian pride wasn't hurt. While they'd been attacked, it was as though somebody who was kind of your friend had flared up in anger and cuffed you, but you were separated and it was all over. The Egyptians felt that they were right and that they had emerged from this small conflict credibly. There was as much pride as anger at the British.

Q: Well, you left this, already having gone through one war, and off you went to Leopoldville. You were there from '58 to '60. Was this just an assignment, or had you decided Africa was the place to be in? How did this assignment come about?

ROBERTS: Well, that's a nice event to remember. Pete Hart was DCM (Deputy Chief of Mission) at the Cairo embassy.

Q: Parker T. Hart, I think.

ROBERTS: Who later on became ambassador to Saudi Arabia and Turkey and was also Assistant Secretary for NEA (Near Eastern Affairs). He called me into his office (the first time I'd ever been there), about two months before I was due to leave Cairo. I thought, "My goodness, what have I done?" I reviewed my past: where I'd been recently, whether or not I'd strictly obeyed all the embassy rules and regulations or whatnot.

Instead of some transgression, it turned out that he was being a very genial senior officer and invited me to have some Turkish coffee with him. Sitting there in the sunlight in his large, pleasant office he said kindly that he'd heard I had been performing well as a junior officer, and he'd like to know what my plans were for the future, and if he could be of any help.

Well, that was a very different kind of approach than my boss Larry Roeder's, who was a hard taskmaster who remembered your mistakes more than the accomplishments. I said, well, I really didn't know that much about the Foreign Service and what were good things to do, but that I had a political background and an interest in analysis.

He replied: "Well, a frontier is a good place to be. If you're a young officer, you have more opportunity at the frontiers. You will get more responsibility and you'll have more chance to do analysis than if you go to a big place where there are a lot of people and where a lot of the ground has been fairly carefully reviewed. Africa is a frontier, why don't you go to Africa?"

ARTHUR MEAD
Foreign Agricultural Service
Washington, DC (1955-1975)

Arthur Mead was born and raised in Wisconsin and educated at the University of Wisconsin and American University. After service in the US Army in World War II, he joined the US Department of Agriculture and was involved in its overseas relief and grain storage operations, including the administration of Title I, Public Law 480. During his career Mr. Mead dealt with many overseas programs, including those concerning India and Vietnam. Mr. Mead was interviewed by Ray Ioanes in 1994.

Q: How about Egypt and Israel?

MEAD: Egypt and Israel early on were attractive political countries. They started right off and continued with very appreciable volume, although Egypt was out of the program for a number of years after the 1967 war. My understanding is that Israel was phased out of PL 480 some years after we left the scene and its overall assistance continued under general foreign aid authorizations. Egypt continued on as a PL 480 customer.

Q: How about Africa? It just seems to me except for Egypt, none of the programs were major in size.

MEAD: I guess technically Egypt is in Africa, but we tend to consider it Middle East, particularly for political purposes. If you set Egypt aside, you could find a complete blank for Africa under Title I until about 1961 I believe.

A major problem in Africa was that most countries had severe logistical problems; and they didn't have much of a trade system compatible with Title I which is geared to using existing trade channels that we have emphasized in our earlier discussions.

We should not give the impression, however, that Africa was sitting out in left field with all the action on other continents, including Latin America, which we have not mentioned in the process of indicating the nature of early programming. There were donations under PL 480 that suited Africa better and to jump a couple of decades or so, we have witnessed the droughts in Ethiopia and similar countries on TV and the huge response to these critical food shortages.

Q: Incidentally, I really don't remember much of a controversy regarding the possibility of interference with the private markets in the range of countries you have mentioned.

MEAD: Countries like India, Indonesia and Egypt did not have a significant history of commercial trade. You had people undernourished and they were an outlet for food for extra consumption. Their inability to have monetary reserves to purchase commodities on a commercial basis also was a major factor.

Q: Well, cotton and tobacco both share the concept of turning raw material into jobs as you move from the raw material to the finished product. But in a sense we did the same thing because you move from wheat to flour to bread. So your value adds there too, but not quite as much.

MEAD: Now that you mention flour, it reminds me that we didn't move nearly as much flour under Title I than we thought we should. India didn't take one bag of flour under Title I despite our efforts, Sen. Humphrey, and the flour millers among others. I recall also that we had one devil of a time to get Egypt to take a certain quantity of their requirements in the form of flour. And some of the lesser developed countries such as Indonesia had mills built and therefore in time phased out of flour to straight wheat.

Getting back to magnitudes, the early sixties saw large agreements with Egypt and Pakistan and a number of new countries. Those developments, along with the mid 60s India droughts, put the annual tonnage under Title I to 16 million metric tons (mmt), or three or four times the annual volume in most of the 80s. At this time the portion of wheat going under Title I was well over 50 per cent of U.S. exports which again emphasizes the importance of the program. My rough calculations for the decade 1959 through 1968 put Title I wheat exports at 50 per cent of total U.S. wheat exports for that entire period, and put India imports of wheat at 45 per cent of Title I for that decade. The portions are even more dramatic when you consider that total U.S. exports

included both wheat and wheat flour and as I noted just above, India took wheat only and many of the countries were shifting from flour to wheat.

As we start getting through the sixties and into the 70s, mention is appropriate of the changes made in 1966 when a major legislative overhaul was enacted with the greater emphasis on revising Title I. The overhaul provided for the phase out of foreign currency sales during a five year period ending in 1971 and phasing into longer term dollar sales,(recognizing that 20 year dollar sales were legislated in the early sixties, but not implemented in magnitudes comparable to the foreign currency sales). The dollar sales under the new legislation were longer term, with longer grace periods and low interest rates, and the foreign currency sales as we knew it would disappear.

There were provisions for a limited number of the old type currency uses to be provided for under the dollar sales under particular circumstances. This allowed, for example, for the U.S. to continue military support for Vietnam. The new legislation also called for self help provisions and the deletion of the surplus concept in principle. In fact, the word surplus could not be found in the new text. Nonetheless, the procedure for determining PL 480 availability did not change in reality. This will be discussed as we get into the worldwide shortages in the early 70s (this also occurred in the mid sixties Indian droughts) when the Title I program was reduced sharply. The Title I program dropped steadily from its high of 16 million tons in 1965 to an average of about 8 million tons in the early 70s. There were several reasons for this drop. In the case of India, the two successive droughts ended with fairly normal monsoons; India participated in the advances in production brought about by the so-called Green Revolution, along with other countries; some Eastern European countries were legislated out of the program. Other donor countries came on the scene to share in the food aid business, helped by the birth of the World Food Program in the early 60s; and the creation of the Food Aid Convention negotiated during the Kennedy Round of multilateral trade negotiations as a new convention of the International Wheat Agreement; and the imposition by the Office of Budget and Management of budget limits for the PL 480 programs. We saw Title I drop to 5 million tons in 1973 and to less than 2 million tons in 1974 because of the commodity crisis world wide, with production trouble in Russia, again in India, and the anchovy supply difficulty among other commodity considerations.

WILLARD DE PREE
Vice Consul
Cairo (1957-1958)

Ambassador Willard De Pree was born in Zeeland, Michigan in 1928. De Pree studied Government and International Politics at Hope College, Harvard University, the University College of Wales and the University of Michigan. After a few years in the U.S. Army, De Pree joined the Foreign Service in 1956. De Pree has served in Egypt, Cyprus and much of Sub-Sahara Africa in various capacities during his years in the Foreign Service, culminating in his ambassadorship to Bangladesh in 1983. This interview was held on February 16th, 1994.

DE PREE: I was vice consul and did citizenship service the first year and visas the second. There were four consular officers in Cairo at the time, the Consul General, his deputy, an officer for the visa side and one for the consular services side.

Q: What kind of applicants were coming for citizenship services, where were they coming from?

DE PREE: There was quite a large resident American community. We also had a number of tourists who lost their passport or had other problems. And we had some prison visitation. On the visa side at that time everyone wanted to go to the United States and our rolls were filled with applicants. We had an excellent FSN staff on which we depended.

I learned a number of things about myself at that post. First of all we had instructions at that time not to issue visas to members of the FLN party in Algeria, then resident in Cairo, without first getting an okay from Washington. One afternoon a note came in from the Egyptian Foreign Ministry requesting visas for members of the Egyptian delegation leaving that evening to attend a meeting the next day at the United Nations. I looked at the list and there were some Algerians of the FLN included as members of the Egyptian delegation. What do you do? Do you deny the Egyptian government the right to appoint whomever they wish to serve on their delegation or do you deny the visas because there wasn't time to get the okay from Washington? Ray Hare was ambassador at the time. I asked him what I should do. He in turn asked me, "What would you suggest?" I said, "I would issue the visas and then send a cable to the Department saying we did it." Ray said, "That's fine, I will back you up." I appreciated the confidence the ambassador had shown in me and his willingness to back me up in case I got in trouble. We never had a peep out of Washington.

I also made my share of mistakes. I thought I knew the visa legislation. One day a Swiss citizen, who had a job with the Hilton Hotel, came in for a visa. He wanted to transit through the States to a conference in Canada. He told me he was a resident in the US and wanting to become an American citizen. I advised him that since he was only transiting the States, I would issue him a transit visa, which I said was cheaper and less trouble. "Fine." He came back in after returning from the conference saying that when he had arrived in New York he had been told that all the time he had spent in the US to become an American citizen had been lost because I had given him the wrong kind of visa. He asked if there was anything I could do. I said I would try my best since I had given him bum advice. I cabled the Department, acknowledged that I had been at fault and urged the Department to take corrective action. A cable came back, wrapping my knuckles, but stating that since I had acknowledged I was at fault, the Department would introduce private legislation. So in the end the man wasn't penalized. I realized that I had better be less sure of myself in the future.

Q: Although you were in the consular section, what was the political situation in Egypt at the time?

DE PREE: It was an exciting time because Nasser was at his height. While I was there Egypt formed the union with Syria, the United Arab Republic. It didn't last long but Nasser was strong and very active in the non-aligned movement. There were a large number of political exiles in

Cairo. Many would come in for visas. It was an opportunity for me as a vice consul to do some reporting because the political section was eager to get information about these people. I developed contacts with a few of the African political exiles. I got to know Felix Moumie of the Cameroon, who was subsequently poisoned, and some of the exiles from Nigeria, who were studying at Al-Azhar University. I did a few reports that the political section welcomed. The US wasn't particularly happy with Nasser at the time. We thought he should have been more appreciative of the support we gave him in the Suez war when Eisenhower intervened to halt the British, French and Israelis. But Nasser didn't see it that way.

Q: What was your impression of Ray Hare, who died just last week? What was the general feeling about him?

DE PREE: I liked Ray Hare. He went out of the way to make junior officers feel part of the team. It was a strong mission. The deputy was Pete Hart, who subsequently became an assistant secretary. Tony Ross was head of the political section. There was excellent reporting coming out of the unit. We, in the consular section, weren't that close to what was going on. We were separately physically, although in the same compound. We had enough to keep us busy. Once a week we would attend a general staff meeting. I saw some of the political officers because of the side reporting I was doing. At the time I felt that the United States should be making more of an effort to try to work with Nasser. But this wasn't the views of the mission or Washington, who more or less concluded that US-Egyptian relations were not going to improve as long as Nasser was in power.

Q: This was the impression one had and it was reflected by Dulles who couldn't abide Nasser. What was the view of Israel within the embassy at that time? Israel was still a new state and we weren't giving it a lot of support.

DE PREE: From where we were in Egypt, the fact that the US had been the first to recognize Israel and had a close relationship with Israel didn't help in terms of developing a working relationship with Egypt. Yet it appeared to me that we were being reasonably even handed. We had after all intervened to halt the British, French, and Israeli invasion of Egypt. Unfortunately Eisenhower's intervention didn't earn us as much credit as we thought it should from the Egyptians and from Nasser.

BARRINGTON KING
Disbursing Officer
Cairo (1957-1959)

Barrington King was born in Tennessee in 1930. He received a B.A. degree in art from the University of Georgia in 1952. Before joining the Foreign Service in 1956, Mr. King was with the Social Security Administration for two years. His service with the State Department included posts in Egypt, Tanganyika, Zanzibar, Cyprus, Greece, Tunisia, Pakistan, and Brunei. Mr. King was interviewed by Charles Stuart Kennedy in 1990.

KING: So I was assigned to Cairo, and arrived there in early April of 1957.

My wife and I had crossed on the USS Constitution. In those good old days you traveled first class, whether it was by air or by sea. The plan was for her to remain in Rome. The reason for that was, the British and French had just invaded Egypt the fall before and all of our dependents had been evacuated, and they were still out of Egypt. However, as we were crossing the ocean we read in the ship's newspaper that the U.S. Government had decided to let dependents go back to Egypt. So when we got to Rome, I applied for an Egyptian visa for my wife, and we arrived there together; and she was the first dependent to return to Egypt, since she had a head start on everybody else.

We stayed in Egypt for two years. I did work as a disbursing officer, and also worked on budget and fiscal matters, and I did other administrative tasks. But about halfway through my tour, I managed to talk my way into the political section for half of the day. So I ended up doing half administrative work and half political work. The work that I was doing in the political section was the daily press telegram, and this was a summary for Washington of what the Egyptian press was saying. I remember the first telegram that I ever wrote, it was on the first real break that occurred between the Soviet Union and Egypt -- it was the day I started my job -- over the question of the high dam in Aswan. We had pulled out of that project. Relations with the United States had been very good because of our attitude towards the British and French invasion. But they quickly soured, and the Russians moved in, and good relations between Egypt and the Soviet Union didn't last very long. There were ups and downs in it, but I saw it from the beginning. Working with the press I think is a good way to begin political reporting, because since you're on the inside of what's happening, and you are the one who is reporting on the public attitude, you can put the two together and make a good bit of sense of the situation.

It was an interesting tour, and it was an interesting time. Of course Nasser was in his height then, and we never did, in our time, see the British and French come back to Egypt. Relations were still broken until the time we left there. So it was a rather strange situation, because the British had been so prominent, and the Europeans had been so prominent in Egypt. But during the time we were there we saw the foreign communities begin to leave in large numbers, these were Greeks, Italians who had been there for many generations, the Jewish population, which was still quite large at that time. But during those two years almost all of these people left.

Q: Were they leaving because of pressure from the Egyptians, or from reading the writing on the wall?

KING: I think it was both. Laws were changed and regulations were changed, and just general practices of the government were changed at that time, which made life considerably more difficult for the foreigners there who had lived in really a privileged position vis-a-vis the Egyptian population. When preference was given to the Egyptians, the Europeans didn't find that it was economically interesting to be in Egypt anymore. So, I think, probably more than anything they saw two, three, four years down the road, that it was not going to be feasible to live there.

Q: You were half in the political section. What was your sounding of the political section and the

people reporting on Nasser at that point? How did we see it?

KING: I think probably most people felt that we could get along better with Nasser. This was not the official U.S. position in Washington. There were several complicating factors. Israel was one, of course, and that had a profound effect on policy in Washington, whereas it did not have such effect on people who were actually working in Egypt. Also, concerns about Egyptian ties with the Soviet Union were bound to have an effect in Washington; and, as with Israel, not only on the government, on public opinion in general. And you've got to remember at that time the Cold War was at its height, and any country that sided with the Soviet Union had a very difficult time as far as American policy was concerned. Another fact, of course, was that most of the people in the political section had carved out a career for themselves in the Arab world. Therefore many of them spoke the language, they understood the motivation of Egyptians, and tended to be more sympathetic with them than the average government official in Washington.

At the same time, I think, and not incorrectly, as was later proved, most people doing political work in Egypt thought if we were patient, the relationship between the Soviet Union and Egypt would break down, which it did. It took some years.

Q: You did not see this as a...not only you, but all of you there, did not see this as something that had any really lasting ties?

KING: We doubted it. We didn't really see how the Soviet Union would be able to exercise paramount influence on a country like Egypt over the long haul. They are too far away, there are too many Egyptians, and the Egyptians have a long history of being very independent and proud. Nasser's moves were tactical. Had he stayed on, the relationship with the Soviet Union might have lasted a good bit longer. But, I think, most people who were working in the Embassy felt that we would come back, as we did.

Q: How did you feel about the adventures outside of Egypt with Nasser? I remember I was in Saudi Arabia on the Persian Gulf at the time and we had no doubt from our vantage point that the Egyptians were trying to establish Nasserism, whatever you might call that, all over the Arab world. And, of course, there was the Lebanese situation. How did you view it from where you were?

KING: We thought very similarly. I think that's what we regarded as the dangerous side of Egyptian politics. It was not Soviet influence in Egypt so much, as Egyptian influence in the Arab world. In some respects it's the same way we might look at Qadhafi in Libya today. He's a negative force. The big difference though, I think, is that Nasser was to be taken far more seriously than Qadhafi, both because of Egyptian resources, the size of the population, but just generally in his competence in carrying out its policies which Qadhafi has not shown much skill at.

Q: Were you there at the time when we put our troops into Lebanon?

KING: Yes, I was.

Q: Was that a period of some tension in Egypt?

KING: There was a great deal of tension. In fact, I can remember the day that it happened. Within hours of it happening the Egyptian army was sent to the Embassy, rather quietly, and a couple platoons of soldiers were marched down into a parking basement garage next door to the Embassy in case there should be mob attacks. Things were pretty unpleasant for a while there. I don't think in the end it had any profound effect on U.S.-Egyptian relations.

Q: I realize you were sort of in this very much a minor position in the Embassy at the time, particularly having half and half a job. Did you get any feel for Ambassador Raymond Hare who was Ambassador most of the time you were there, wasn't he?

KING: Yes, he was.

Q: How did he operate from at least your vantage point?

KING: Well, looking back on 32 years in this business, I think he's probably one of the most skillful operators that I have known, and I probably would appreciate him better today because I understand the business more than I did at that time. Ray Hare was an Arabist going far, far back. He had started teaching at Robert's College in Istanbul, I think in 1921. He was one of the first people to be sent by the State Department to study Arabic in Paris, it must have been in the early '30s. By the time I was there in '57 to '59, he was at the peak of his career. He was also at one time Ambassador to Saudi Arabia. He was Assistant Secretary for Near Eastern Affairs. I think he did as well with Nasser as you could do, given the circumstances. He was a very careful, quiet operator, but he had a firm hand on the way the Embassy was run. And I think he had an excellent understanding, not only of the politics of the entire Arab region and how they related to Egypt, but also how to deal with Washington, which sometimes for an Ambassador is a more difficult problem than dealing with the country you're assigned to.

Q: Did you have the feeling, and in other interviews talked about how with Nasser and Dulles...this animosity was kind of personal...

KING: Yes.

Q: I mean, was this felt down where you were? Their saying, "No matter what happens, we've got this problem."

KING: The problem was really felt in the Embassy, and I guess my feeling is that it really was personal on Dulles's part. On Nasser's part, it was useful, I think, to Nasser. To have this animosity between himself and Dulles for political reasons, and I think if it had suited his purposes, he could have changed very quickly. I'm not sure Dulles could have.

Q: This sort of hung over the whole operation.

KING: Oh, yes. Absolutely.

CHARLES T. CROSS
Deputy Principal Officer
Alexandria (1957-1959)

Charles T. Cross was born and raised in Beijing, China in 1922. After serving in the Marine Corps for 4 years, Cross finished his studies at Carleton and Yale in 1949 with degrees in international relations. He immediately entered the Foreign Service thereafter, serving the U.S. in Taiwan, Indonesia, Hong Kong, Malaysia, Egypt, Laos, Cyprus, Vietnam and Singapore. This interview took place on November 19th, 1997.

CROSS: So in 1957, I was assigned to Alexandria, Egypt where I served for two years. I had asked that I be transferred before the consulate general was turned into an embassy because I really didn't want to be around when a more senior political officer was assigned and when the political section would have grown - as well as CIA. I really didn't have any interest in the Middle East, but I was told that the then consul general was not very interested in the management of the post and that the Department needed a good deputy for that consul general. This was right after the Suez crisis, which gave the assignment some additional urgency.

I tried a couple of inept "end- runs" around the personnel system, but they didn't succeed. In retrospect, I am glad we went to Alexandria; we had a very good time there. My boss was Hayward G. Hill - the large contributor to DACOR. He was one of the nicest guys I have ever known, but he also was a living example of the failure of the Foreign Service's "selection out" system. He should have been "selected out" because he was essentially incompetent. He had been born in Louisiana and spoke "Creole" French. He had served in Panama, Havana, Geneva and several other posts. He had come to Alexandria from Marseilles, which I think made it clear that this was going to be his last assignment. Hill was very nice to me; he was a bachelor, so my wife Shirley had to do much of the "hostess" work. He entertained very well, but it was usually in spurts.

As deputy principal officer, I really ran the post. I did all of the political reporting - whatever little there was. I did all of the consular work. We did have an economic officer - first Richard Adams, who was able to speak good Arabic by the time he left - as well as good French. He was followed by Dirk Gleysteen, who was much younger than I, but our families had been close in Beijing. I had been at Yale with Culver, who was the oldest of the three brothers in the Foreign Service. He was one of the last consuls in Dairen (now rendered Dalian) in China, and one of the first in Leningrad. Culver focused on the Soviet Union and China; Bill centered on the Far East and Dirk, the youngest, took on the rest of the world. He served in Alexandria and Berlin, for example.

Q: You got to Alexandria a year after the Suez crisis. What were the repercussions and what was the political situation in Egypt when you arrived?

CROSS: Nasser was still tightening his control over Egypt. Alexandria was a very

cosmopolitan society. It had its own centuries-old mystique of having been a great city, but in decline. It was multilingual with French serving as the social language, but all the key players spoke English and everyone spoke Arabic. We were watched carefully by the regime, but it didn't really interfere with our work. Alexandria had long been regarded as the center of opposition to the regime. The former King Farouk had a lot of supporters in Alexandria.

The international scene changed as far as Egypt was concerned. After we stopped the British and French from invading Egypt to recapture the Suez Canal, then our usefulness to Nasser was past. Since we refused to help him in the construction of the Aswan Dam, the Soviets were invited to do so and accepted readily. The U.S. decision was made around the time I arrived in Egypt.

Nasser nationalized the Canal for reasons of his own, but it set much of the world against him. We thought we could stabilize the situation and keep the Soviets out of Egypt. And we might have been able to do so, except that the British - Macmillan and Eden - were determined to show their "muscle." So they proceeded, irritating Eisenhower greatly. The Dam decision was really only one of the several decisions made by the U.S. administration that affected our relationships with Egypt. The Soviets agreed around this time to allow the delivery of Czech arms in exchange for Egyptian cotton, thereby mortgaging the harvest of that plant for a couple of years. The cotton was then dumped on the European market by the Soviets, thus undermining the normal market.

Q: One of history's great antipathies was between Dulles and Nasser. Was that reflected in your work?

CROSS: Much was made out of it in Egypt; we were often told by Egyptians of all kinds that Dulles was rude or bad or whatever - never blaming Nasser for the situation. It must be remembered that all Egyptians agreed, including Nasser's opponents, that the basic root of all problems in the Middle East was U.S. support of Israel. We were told that neither the seizure of the Canal or any other tensions would have happened had it not been for our support of Israel.

Q: How did we respond to these allegations about our support of Israel?

CROSS: Normally we would say that the only way to reach peace in the Middle East was to resolve Israel's status. Israel took a major portion of the West Bank and Gaza after the 1967 war - many years after I worked in Alexandria. I think there were some possibilities for reaching a settlement of the Israel-Arab conflict in the 1950s, even after the Israelis had joined the British and the French in their attack to recapture the Suez Canal. We tried to appear balanced in our attitude toward the Middle East issues so that we could try to have a reasonable dialogue with the Egyptians. They did make some comments, which had a faint ring of truth. For example, they would point out that it was the Germans who had killed all the Jews; there had been Jews living in Egypt and other Arab countries for centuries. So the question we would get was "Why are you taking our land when we had no responsibility for the Holocaust? Why don't you take part of Germany if the Jews need a homeland?"

Q: What were your impressions of Nasser? What were Alexandrians saying to you about him?

CROSS: There were three separate societies in Alexandria. One was the cosmopolitan crowd, which had been very wealthy and lived an old-fashioned regal existence. They were something to see. There were four books published by Lawrence Durrell about this crowd while I was in Alexandria, The Alexandria Quartet. The first was titled, Justine. She was the sort of character who played around a bit. One would have thought that Alexandrians would have denied knowing her at all - there couldn't have been any connection between them and her. But we had a number of absolutely beautiful women come to us and whisper to us who Justine really was or "Moi, je suis Justine." This group really represented the past and were disappearing. They lived very well. Most of them were trying to protect their properties from Nasser by making deals and barely just holding on to their past.

There were some Sephardic Jews who had lived in Alexandria since the beginning of the 16th Century. They were later joined by other Jews. That was the second group.

Then there was an Egyptian community. We became well acquainted with many of them. They were mostly bankers, engineers - middle class with substance and ability. They had not been particularly pro-Nasser but were interested in moving Egypt ahead so that it could catch up with Europe and the First World. They hoped that Nasser would be a better leader than their dissolute king. But they were becoming disillusioned with Nasser. Dodi Fayed - of Princess Diana fame - belonged to this group.

Q: Did you feel any pressure from the Israeli lobby?

CROSS: Not at all. Occasionally we would get a consular cable telling us that a Senator "so and so" was inquiring about a visa for someone in Alexandria. That was a problem because as a consular officer we might have a view on the eligibility of the applicant, but the fact that there was Congressional interest had considerable influence. These were primarily applicants who had had difficulty in obtaining an Egyptian passport in the first place - often limited to visits to certain countries and sometimes specifically excluding some countries that the traveler could not visit. Among the latter group, sometimes the UAR would be listed - particularly Jews - so that the traveler could not return to Egypt. So I was faced with these problems and raised a fuss about it because how could I issue a visa if I knew that the traveler could not return to Egypt. These were people who were well-off - with secret bank accounts in Switzerland and other countries - and had many contacts in the U.S. who could support them if necessary. So they were obviously well qualified to have a visitor's visa, but since they could not return to the UAR, it was hard to issue such a visa. I finally rationalized that even if these Jews could not return to Egypt, they would be welcomed in Israel and therefore would technically not need to stay in the U.S. beyond the length of their visa. I tested this approach on my Egyptian assistant, who knew everybody; she said that these people were not interested in going to Israel. My view was that despite the applicant's reservations, he or she was qualified to go to Israel and therefore would be eligible for a visa to the U.S. So that is what I did and INS never rejected any of the people to whom I issued a visa.

Q: Nasser was trying to foment unrest in Lebanon. It has been alleged Egyptian diplomats in Lebanon were posting propaganda and undertaking other anti-government activities and that was one of the reasons why we invaded Lebanon. Was there any reaction against the consulate general during this period?

CROSS: I think there were some threats of demonstrations. We had to be careful, but I don't remember any anti-American activities. During this period, I had to attend a speech by Nasser as the senior American - the consul general was out of town. I had to listen to two or three hours of anti-U.S. haranguing; my Lebanese colleague had to listen to some vitriolic comments about his country. We both sat separately from the rest of the consular corps, and I began to feel somewhat uneasy about having to walk to the office after this event, even though it was only a five-block walk. In another setting, I might well have walked out, but there were 100,000 Egyptians in the audience. They had been listening to this diatribe for a long time, and I wasn't quite sure what their reaction might be. I was assured that all would be well and, in fact, as I was leaving the area, walking between two lines of policemen, I heard a few of them shout, "How are you, American consul? Are you enjoying Alexandria?" These comments were accompanied by some friendly pats on the back - even though I had just been lambasted as a representative of an "imperial power."

Q: By 1959, what were your hopes for the next assignment?

CROSS: I had liked Alexandria, but I didn't think I wanted to pursue a career in the Arab world. Without any prompting from me, Eric Kocher, when my two years were up, asked that I return to Washington to work in the South-East Asia office.

CHESTER E. BEAMAN
Consular Officer
Cairo (1957-1959)

Consular Officer
Port Said (1959-1961)

Chester E. Beaman was born in 1916 in Kokomo, Indiana. He studied English and History at the Universities of Depauw and Michigan. He worked with the Department of State for some years before launching his career as an "Arabist" in Egypt and most of the Near East at large. This interview was conducted on October 30th, 1999.

Q: In 1957, you went to Cairo. You were in Cairo from when to when?

BEAMAN: I got to Cairo in 1957, and I was there until 1959. Then I was transferred to Port Said. In the 1957-1959 period, I finally got economic work. I went there as consul. I was disappointed at that. I had been a principal officer before Arabic language training. I had

taken Arabic language training, and I was still a consul. I wasn't even a principal officer. But about partway through that period, the Department transferred me within the embassy to an economic position. An interesting thing, one of the reasons I was assigned was, in the exam that I had taken in London, the Commerce representative on the panel had recommended me for a commercial job. So I was transferred, and I did both commercial work and economic reporting. There was a regular commercial attaché. I was just the deputy to him. One of the things that I spent a good deal of my time on was keeping an eye on various aid projects from the Soviet Bloc, primarily Czechoslovakia and Russia.

Q: Could you describe what the situation was like when you arrived in Egypt in 1957? What was the political/economic situation?

BEAMAN: Our relations with Egypt at that time were unstable. The time was after Secretary Dulles had said, "No" to the U.S. helping with the High Aswan Dam. Of course, even before that, the Egyptians had been getting a lot of assistance from the Soviet Bloc, primarily Czechoslovakia. The Russians were going to help with the High Dam. It was part of my job to find out what planning was going on. During a trip to Aswan, I was briefed by an Egyptian official. We used a boat to get nearer to the current dam. He proved to me that the Egyptians had already carefully formulated plans for building the dam. He also said the Russians had some different ideas about how to approach the construction. They would have preferred the U.S. give help in building the dam. Another work project was that as a result of the 1957 clash with the British over the Canal, it was closed for some time. There was a need to report on Egyptian plans to open it up, how soon it was going to accept traffic. Later on, after my economic assignment, I was posted to Port Said. By that time, the Canal was open. Strangely enough, the Authority had employed a U.S. Army engineer ship to dredge the Canal along with two American dredging companies. To answer your question, when I was there it was very difficult to cultivate Egyptians. Nasser was angry with the United States. Everything we Americans did was watched. For example, when I invited locals to my house in Cairo, some guests would park their cars several blocks away and walk the rest of the way. After I was assigned to Port Said and I put on large parties, I would always invite key officials and businessmen. A lot of them wouldn't show up. They wanted the invitations, my deputy found, but they did not want to be seen at big parties. So there was a disparity of feeling: they'd like to be courteous but were afraid of government spies. The police knew wherever I was along the Canal. Yet once the governor and police commissioner attended a speech I gave at the USIS center on "Life in the U.S." I should note they also watched the Russian consul.

Nasser came to Port Said every year to make a speech on the day of the supposed victory over the British. At these times he would be very critical of Britain and the United States in his speeches. I, as consul, had to debate in my mind whether I should get up and walk out. I didn't at any time. One of the reasons was, they locked the gates. When Nasser made his speech, they locked the gates, and one couldn't get out. Anyway, there was a very tenuous situation in our relations. On the other hand, working as I did in economics and commercial work, I had quite a series of contacts in the Cairo ministries that dealt with economic matters. I had several official contacts in Port Said whom I could see directly.

Q: Did we have many contacts? You mentioned you got special tours. Who was the ambassador when you were there?

BEAMAN: Raymond Hare. At the end, there was Frederick Reinhardt.

Q: Did you get the feeling that you could really call on the government, do your normal diplomatic thing? Was that a problem?

BEAMAN: No great problem. In fact, when I was still consul in Cairo, the ambassador commented in a staff meeting one time that I seemed to have a lot of contacts. His reasoning was that the title "consul" was historic in Egypt as being a very important person. He felt that because I was consul, I had developed more contacts strictly on the title. A lot of these contacts were developed for tourism purposes. Egyptians going to the States had to get approval from their government before we could issue them a visa. Also, several visiting Americans got themselves in trouble. Sometimes I'd get a call late at night from the airport that So-and-So was being thrown out and the Americans wanted to see the consul. In one case, I got to the airport and said, "Well, I'm the consul. What can I do for you?" He said, "Oh, I just wanted somebody to talk to until I got on the plane." But in any event, there were very few times when they evicted an American. One of the big case problems was when we had a group of students who had been signed on by a tour operator. They got to Cairo and were taking unauthorized pictures. Tourists were not supposed to take pictures of presumed military stuff. That was one problem. Another problem was that they had been left high and dry by their tour agency. The Egyptian government was begging me to get them out of the country. Similarly, when I was consul at Port Said, one of the big incidents that I had to handle was that of a ship called "Valiant Faith." It came into port after we had received a telegram saying that the crew was almost mutinous. It had stopped at Gibraltar and crewmembers had talked to their wives. They found their wives had not gotten their paychecks, which should have been sent to their homes. The crew was angry, and the captain used the word "mutinous." When they arrived in Port Said, there were very angry sailors who poured out on the streets. The local governor asked me to please get them out of there. We did. If an American ship went through and had a berth, the consulate could insist that the ship take this or that "beached" sailor. There were about 30 of them, and over a period of a month or so, we finally got them all on American ships going out. The captain stayed behind to handle ship-related matters. The ship company itself was financially broke. "Valiant Faith" had come in under an American flag and was there for over a year. I had left by that time. It sailed out under a Greek flag. Our problem was that it was filled with wheat. I can't remember whether it was hard or soft wheat. I think it was soft wheat, which was on its way to India. Well, the Egyptians don't usually eat soft wheat products. They like the hard wheat for their bread. So it was a matter of our just sitting in on negotiations between the captain and local people to arrange for turning the cargo over to the Egyptians instead of getting it to India where it was supposed to go... Port Said was an interesting assignment.

I got assigned to Port Said, incidentally, after I had been assigned in Cairo to economic work for the first time. I was sent to Port Said because they had successively assigned two other officers there and for some reason, they were transferred elsewhere. The Department was getting a little desperate. The fellow who had been there had left, and it was open. So I was

assigned to Port Said. But I was able to do some economic reporting on the Canal in addition to handling consular and representation duties.

Q: Were you followed much? Were the Egyptian police a bother?

BEAMAN: Oh, yes, particularly when I was consul in Port Said. They knew where I was at any one time. They had informants along the Canal. If I would go take a trip down the Canal for any reason, they knew where I was exactly. The same way they kept an eye on us around Port Said, not only me, but the others in the consulate.

Q: When you went down when they were getting ready for the High Dam, what was your impression on how it was going - and what was that of the economic counselor?

BEAMAN: Actually, the Egyptians had it well planned. They had been working on the project for several years. They had their own ideas. At the moment, I can't remember the difference between their plan and what the Russians did, but in any event, they had a complete plan when I went for this visit. I thought, well, the Egyptians are really set up. One of the things that irritated them was that when the Russians came in to help, the Russians had insisted on following their own ideas as to how the dam should be built. I think probably in the long run, it was a compromise. They just didn't see eye to eye despite the fact that the Russians were helping them build it. It was finished after I left. I later got back to Egypt and was able to see it. The economic counselor never questioned my reports.

Q: There was concern when the planning was being done that what would happen would be that Egypt depended so much on the Nile flow and including the sediment in the waters that the dam might stop the sediments and the water would not be as nutritious. Was that a factor?

BEAMAN: It was a factor for consideration at the time. As I say, I've been back afterwards a couple of times (latest 1990). Water from Lake Nasser has led to a lot of agricultural development below the dam. Also, industry has moved upstream. After a consulting project, I signed up for a tour coming from Aswan down to Luxor by ship. One of the things that disturbed me was that there were industries with their belching smoke along the Nile. I felt it was spoiling the atmosphere. The dam had been an excellent plan for them really. There is more food and more industries now in a growing Egypt. No question the High Dam eventually did improve things in Egypt. They've got a large population, so I don't know whether the improvement has kept up with growth or not.

Q: We weren't doing an AID project while you were there, were we?

BEAMAN: AID wasn't there. At the time of the Suez Crisis, AID pulled out. When I got to Cairo, there was just the AID comptroller who had remained behind because of projects that had been funded. But then AID came back again. Most of this was after I had left. As you're probably aware, Egypt is one of our biggest clients in the matter of receiving U.S. aid.

Also, of course, we had NAMRU (Navy Medical Research Unit) there. It continued to

operate despite the bad feelings. The Egyptians wanted NAMRU to stay because NAMRU was helping do vital studies, including the West Nile fever that we in the U.S. are talking about now. That was and is one of their major research projects. I could see also when the Persian Gulf War came later, a lot of the things that they told me were being studied were used in handling the troops in that war.

Q: When you arrived at the embassy, what was the attitude that you were picking up from the ambassador and others who were talking about Nasser?

BEAMAN: Ambassador Hare was very good. He spoke Arabic, so he could keep in close touch with the government. The same thing with the political counselor and to a certain extent the economic counselor, but it was more a political situation. We were trying to get back in their good graces vis a vis U.S. policy and planning. The thing was, though, that Nasser already had his mind made up on a lot of things, and he particularly was angry because we didn't help him with the High Aswan Dam. There had been talks going on, but as I mentioned earlier, Dulles just pulled the rug out from under the idea. It was the way it was done rather than it being done or not. If there had been some negotiations and saying, "Well, we can't agree on this. Sorry," it would have left a little better feeling. But he just issued a statement. Nasser was expecting the United States to help.

Q: Was there much sign of Soviet and Czech activity there?

BEAMAN: They provided funds. The Russians were concentrating primarily on the High Aswan Dam. It was the Czechs and maybe some other East Europeans which helped on getting industries started in Egypt. As I said, I was supposed to keep up on this. I would read in the paper that down 30 or so miles from Cairo, they had built a factory. I would go down there in my own car and find there wasn't anything there. I finally said to somebody at the economic ministry, "Look, I read in the paper that you've built a factory at a certain place and the Czechs helped you. But it's not where the paper said it was." They said, "Well, the Arabs, if something is formulated, they consider it done." "You've got to think like an Arab" is what they were saying. "You Americans expect stuff to be done when it's published." The same thing happened at Port Said when they built a clinic for women to help with childbirth. I went with Mary to the dedication, and I found it had no water. Here is a medical outfit where obviously a lot of water is going to be needed, and they hadn't put the water in. Yet they were dedicating the "clinic" with a lot of speeches.

Q: You were at Port Said from when to when?

BEAMAN: Just before July 4, 1959. I was there for the July Fourth party. Then I left about two years later in March 1961.

Q: One of the things that had been said when Nasser nationalized the Suez Canal was that the Brits and the French were saying, "Oh, these Egyptians can't run the Canal." That wasn't too long before you got there. Was this one of the things you were tasked to look at and see how the Canal was running? What was your impression?

BEAMAN: I was expected to report regularly on Suez Canal activities. I felt they were doing all right. Of course, during the period when I was there, the Egyptians were devoting effort to clearing the Canal of silt and debris, which had accumulated. The Canal had silted up during the period of its closure. Once cleared, I think the Egyptians did very well in running it. In addition to hiring American companies to dredge the Canal, the Authority hired three or four American pilots who brought the convoys through and trained Egyptian pilots. I had good relations with Colonel Mahmoud Younes, managing director of the Suez Canal Authority. I kept in touch with him, during which he discussed plans for developing the Canal. One of the best reports I wrote during my career was "A Socioeconomic Survey of Port Said" (May 1961), which dealt with what was happening and future possibilities for the Canal. I got kudos from the Department for the 29-page document. Since those days they seemed to have no problems in running the Canal.

Q: Were the Israelis at all a problem while you were dealing with Port Said?

BEAMAN: Israelis weren't a problem for me certainly. Sometimes in that 1959-1961 time-span, I would go to Cairo periodically to consult. Once when I was going to Cairo and I passed miles and miles of tanks and army trucks filled with soldiers, sometimes guns, headed toward the Suez Canal. I immediately went to the military attachés in the embassy and said, "Do you know that this is going on?" Yes, they knew. Nasser at that time had had some sort of disagreement with the Israelis. So he was throwing all this equipment into the Sinai. It went on for about a month. It was a month before "Time Magazine" picked it up. It amazed me that nobody was writing about this. Of course, I prepared reports when I got back to the consulate. So, the 1967 business might have happened earlier if Nasser had gone through with an invasion then, but he didn't.

Q: Were there little probes, small unit actions going along between the Israelis and the Egyptians? Was it pretty quiet?

BEAMAN: It was pretty quiet. I made a trip to the Gaza Strip one time. I was using a map that I found was out of date. I found that the Egyptians had built roads that weren't on the map and these roads were leading to the Gaza Strip. Nasser was given to making acrimonious statements about "imperialists." He always condemned the Israelis, the U.S. and Britain during his speeches in that period. Sometimes he would add Jordan, too, if King Hussein had made some statement he didn't like.

Q: Was there very much the feeling both while you were in Cairo and in Port Said that Nasser was almost a larger than life figure in the Arab world?

BEAMAN: Yes. That was the thing. He would come to Port Said to celebrate this so-called "victory," which wasn't really a victory, on the anniversary of the seizure of the Canal. When he came, the population turned out en masse. At one time, I really feared for his life. The crowd was overwhelming the open car that he was in. I said, "Oh, my God. They're going to kill the man." They were jumping in and wanted to shake his hands virtually lying on top of him. The people outwardly, I think, favored him. Years later when I went back to Egypt, some of the local employees at the embassy said, "Well, he really was a dictator and we

didn't like him, but what could we do?"

Q: How about contacts in Port Said? Did you find it was sort of a different ballgame than in Cairo or not?

BEAMAN: In Cairo, I had contacts with the various ministries and particularly with tour agencies and businesses. In Port Said, on the other hand, I cultivated as much as I could the governor and chief of police. I always had good relations with the governor. In Port Said, we had a USIS theater. It was large enough to hold maybe 25-30 people. We had a program of special days at USIS to attract children, including Mary's providing cookies. I would also give speeches and sometimes the governor would come to those speeches. So I always had good official contacts. When these "Valiant Faith" sailors were running in the streets, I had more discussions with the police than any other time. My contacts in Port Said other than the government were primarily business officials. Some of the British were still there doing business, so if I gave a party and invited businessmen, there were going to be British there, knowing that some of the locals didn't show up but some did. But they always wanted an invitation. People weren't coming and I was marking them off my list, but my deputy said, "Well, they want the invitation just to say they have it." So I spent a lot more on printing costs and invited twice as many people as came simply just so they could say, "Oh, yes. I got an invitation from the consul, but I'm busy."

Q: Were there papers that came out of Port Said? Was there a local press or not?

BEAMAN: Yes, there was a local press, but it didn't have the influence of Cairo. The local press in Arabic maybe had some influence, but I wasn't able to read that well enough. Even though I had studied Arabic, I just was not that good at it. I read the local French language paper. I was a friend of a reporter who worked on the paper. Unfortunately, he was a suspect because he had a French background. His mother or father was French. When it came to the British invading, he left on a British ship. That really ended his career in Port Said as a reporter.

Q: Did you cover Sinai and the Gaza Strip?

BEAMAN: Yes. The Sinai was part of my consular district and there were Canadian UN peacekeepers near Gaza. That is the reason that I made this trip to the Gaza Strip. I did have contact regularly with the Canadians. One of them gave my son a little white military jeep as a toy. One of the things I wanted to do was go to Mount Sinai where the Ten Commandments were supposedly formulated. I had it all worked out, and then the government would not approve my going there. I raised the question, "Why?" They said, "Russians from the Russian embassy have gone up there, and they've passed out leaflets to people on the way up and back." I said, "Well, I'm not going to pass out leaflets." Nevertheless, they had made the rule that no diplomats could go to Mount Sinai, so I never did see that historic mountain.

Q: How about Gaza? What was the situation there?

BEAMAN: When I got up there, they had a lot of Palestinian refugees. I was there twice. I

was there on my own for the first time; the second time, FSI Arabic language students made a tour of the Middle East out of Beirut. I was in Gaza with this group. In my talking to the refugees, they were, of course, complaining that the Israelis had stolen their land and they had no place to go. Unfortunately, on the second trip with the group, the head of the group said, "Well, actually, there are worse slums and worse situations elsewhere." This did not create a good impression! My trips were intended to gather information, including checking the military attaché's map. I really had no regular reporting from there. It was just impressions and stories. Some of the people in the Gaza Strip later became the militants inside Beirut particularly. The interesting thing was that from Gaza Strip, I could look up on the hill and see Israeli cities. Then when I got to Israel on a trip, I could look down on the Gaza Strip from the other side. There was no mixing or border crossing in those days.

Q: Did you have any contact with our people in Tel Aviv?

BEAMAN: No. On an earlier trip with my Arabic class, we visited Israel. There I heard their side of the story, but I had no direct contact as far as work was concerned.

CLAUDE G. ROSS
Political Counselor
Cairo (1957-1960)

Claude G. Ross was born in Illinois in 1917. He graduated from the University of Southern California with a B.S.F.S. degree in 1939 and joined the Foreign Service in 1940. His overseas career included posts in Mexico, Ecuador, Greece, New Caledonia, Lebanon, Egypt, Guinea, Central African Republic, Haiti, and Tanzania. Mr. Ross was interviewed by Horace G. Torbert in 1989.

Q: Then you took your next posting right away?

ROSS: A little leave, and I went then to Cairo as political counselor.

Q: Ray Hare was in Cairo?

ROSS: Ray Hare was the ambassador, and Pete Hart was DCM at the time I got there. We served together for about six or seven months, and then he was replaced by Norbert Anschutz, who was there for the balance of the time I served in Cairo.

I came out as political counselor, but as it turned out, for the first few weeks I was there, I was the only State Department officer in the political section, which again threw into disarray my prospects for beginning serious Arabic studies, with the consequence that I really never got down to it. So that went by the board there.

Q: This was full Nasser, wasn't it?

ROSS: This was full Nasser. Yes, this was 1957, just after the Suez crisis. We had been of some assistance there when we got the Israelis and the Brits and others to desist. But one wasn't conscious of any great sense of gratitude.

Q: No pro-American wave?

ROSS: No. For a good part of the time I was there, the press and the other media were attacking us. Happily, you did not find any reflection of this in the attitude of the Egyptian on the street. So that, of course, made life much more pleasant.

Q: Seen from inside, was there an actual Soviet orientation to the Nasser government?

ROSS: At that time, not really. The Nasser government was a nationalist government. The Soviet presence, however, was there. They were beginning their steps toward the building of the Aswan Dam, so they were there.

Q: As I recall it, about the time you went there, Dulles announced that we would not participate in the Aswan Dam.

ROSS: No, he did that before I got there. So the climate officially was not all that friendly. I had contacts in the foreign office. They were by no means as free and easy as they had been in Beirut. It was a much bigger post, with a much bigger diplomatic representation. I think I had meetings with my counterparts in other embassies to a much greater extent than I'd had hitherto in my career. There were several Latin American embassies in town, who used to resort to conversations with me and check what was going on, check their impressions against ours. They spoke to me because I spoke Spanish. The Brazilian ambassador was an old, old career Brazilian ambassador. He must have been in his early seventies at that point. He had a monthly meeting with me, he speaking in Portuguese, and I speaking in Spanish, but we got along famously. That was great.

Q: You did better in understanding Portuguese than I ever did, but then your Spanish was better than my Spanish ever was. (Laughs)

This raises a point which I've always thought of. In many of these posts, particularly some of the more difficult posts, the American ambassador did have -- although the term would not have been acceptable to them -- an in loco parentis relationship to the Latino diplomatic corps.

ROSS: Yes, and it was even more pronounced when I was in Haiti. I also found it useful having an "in" with the Greek diplomatic corps.

Q: A tremendous Greek colony.

ROSS: They were rapidly diminishing, but they still had substantial numbers both in Cairo and in Alexandria and a couple of other places in the country. The Italians also, although I didn't have quite the same rapport with them. I had a very good relationship with the DCM. He and I had both gone through the War College together, and we had known each other since Greek

days. So that was an old friendship. With Pete Hart I also had very, very good relations.

In addition to the political reporting that I personally generated there, or that my section generated, sometimes Ambassador Hare, following his conversations with Nasser or with Foreign Minister Fawzi, would come back to the chancery and would, in effect, debrief. I would then set that into a telegram for him. I found that a very interesting and useful operation.

Q: You also dealt with the foreign office officials.

ROSS: I did, but at a level just below Fawzi. Mine was with deputies and with chiefs of sections and that kind of thing. We didn't have the same terribly easy access, although I had one or two old friends in the foreign office there, particularly after the formation of the United Arab Republic in 1958 between Egypt and Syria, when some of the Syrian diplomats...

Q: Ambassador Ross, you were talking about your reporting and relations with the Syrians.

ROSS: Yes. These Syrian diplomats, now residents, some of them, in the Cairo ministry there, were a little more accessible, partly because we'd known each other before. They didn't feel quite as "uptight" that the Egyptians did. So that helped.

After the formation of the United Arab Republic we did not have an embassy any longer at Damascus; we had a consulate general. Therefore, from the standpoint of reporting, it was under our supervision and, to a certain extent, guidance, although we had a very senior man there for most of the time that I was still in Cairo. It was Borden Reams, who was consul general. I would go periodically to Damascus, confer with him and his staff, and then I made it a point always to come out via Beirut, first to see my son, who was in school there at the American Community School, and secondly, to touch base with our embassy in Beirut, which was always a useful experience. Rob McClintock was ambassador at that point.

Q: How complete was the formation of the UAR? Did they really integrate the government?

ROSS: Not to the extent that they had anticipated or that one looking at it from the outside might have expected. As you know, it was relatively short-lived.

Q: Yes. I was wondering if they were really serious about it while it did exist.

ROSS: One must assume that, yes, there were serious intentions at the outset. But the interests and the outlooks of the two countries were not parallel by any means, so I think that these differences surfaced almost from the beginning.

Q: What was the relative psychological attitude of the Syrians and the Egyptians towards each other? Did the Syrians tend to look up to the Egyptians, as I know the Iraqis did?

ROSS: No, I think that the Syrians at that point already felt that they were their own people. I think that's one of the factors that worked against a long life for this particular arrangement. Numbers of them, I think, were not terribly happy in Cairo, those who came, and perhaps felt

that their talents were not being utilized. I'm talking now about the Syrian diplomats being utilized to the full.

During my time there, we had a number of visits from African dignitaries, so that my War College experience was of value. One of them who came up was Kwame Nkrumah from Ghana. He came up, having picked out a bride from among several candidates in the Christian Coptic community in Egypt. He took her back to Ghana and married her.

Q: Did he have four wives?

ROSS: I think that at one point he may have had more than one. I'm not sure. I can't remember now whether that marriage lasted until he died or not. I sort of lost track. I never got to Ghana later on, so I never had a chance to follow up on it.

Q: I saw Nkrumah in Hungary. He visited Budapest in the early sixties, so it was a little later than this.

ROSS: I had seen him, too, later in Conakry. I had been in regular contact with the Latin delegations in Cairo. Among them was the Cuban chargé d'affaires. With the change of régime in Cuba and the advent of Fidel Castro, this Cuban chargé stayed on and was able to maintain himself in office for a time. I think maybe to some extent he tried to accommodate to the new régime but in the long run he was not successful. He was still there, however, in late 1959 or early '60 when Che Guevara led a Cuban delegation to Cairo. Jim Cortada, who was in the economic section of our embassy, and I, through the Cuban chargé, met Che Guevara and spent an evening with him, which was the subject of a long report that we sent into the Department.

Q: That's probably something in your security file from then on. (Laughs)

ROSS: I gather that the report was of some interest because this was while we still had relations with Cuba.

There was one amusing incident. When Che Guevara and his entourage came -- in a Cuban military plane, of course -- the Egyptian dignitaries were all out there, the protocol staff and all the rest. One of the last Cubans off the plane was somebody dressed in fatigues, as they all were, but this was a young person with long hair. The protocol officer rushed up and said, "Ah, Mrs. Guevara, we're so delighted to see you." It turned out to be Lieutenant so and so, a man! (Laughs)

Q: Were the British and French on short representation there at this time?

ROSS: Yes, they were. Both of them, because of Suez and relations broken. During my last year or year and a half there, they began to come in bit by bit. So there was a British interest section. I've forgot now under whose flag they were flying -- probably the Swiss -- but they were in their old embassy, which was a rather imposing one, and the section was headed up by a man named Colin Crowe, who was one of their stars, who eventually became their rep to the United Nations and ended up a GCMG.

The French had a smaller outfit, but they also came back in, ostensibly I think in a kind of commercial capacity, but they were doing political reporting and all that. I was in close touch both with the Brits and with the French. They had two or three officers there. One, I remember, had the name of Mouton, and a young man named Bellivier, who I think at the moment is their ambassador in Mauritania. We worked closely with them as they were getting started in making their come-back in Cairo.

Q: What were our own problems predominantly at the time that we had to work on with the Egyptians? Just being frosty and correct?

ROSS: Yes. The Arab-Israeli question was there.

Q: But no one worked on that during that time?

ROSS: Not really, no, but we were seen as being too supportive of Israel and not sufficiently attentive to Arab and Egyptian needs. The fact that we had pulled out of any Aswan Dam deal was resented, and the Soviets were taking advantage of it. On the other hand, we were able to maintain a spectrum of contacts, and we had people through there all the time, including congressional delegations. There were other distinguished travelers -- Dorothy Thompson, for example. I remember also meeting the British travel writer, who I think is still alive, Freya Stark.

Q: Was it during this period that Yemen also became part of the UAR?

ROSS: No, not precisely when I was there. Actually, Ambassador Hare was accredited to Yemen as Minister, and we had a resident chargé there. I kept hoping that Hare would go down there at some point during my tenure, because it was understood that I'd go with him if he did.

Q: A fascinating place, apparently.

ROSS: Yes. It never came off in my time. While I was in Cairo, I did a trip with our naval attaché there in his plane, went to Jeddah and flew over Yemen, went down to Aden, and then came back through Port Sudan and Khartoum, as a kind of area orientation.

Q: During this time, I was in contact in Rome with an Italian named Guillet, who was there.

ROSS: I knew Guillet. He used to come up and debrief for us.

Q: At that time, as I remember it, we didn't have anybody there.

ROSS: From early 1959 on, we did. I know we were dependent on Guillet in 1957-58. We always made it a point to meet with Guillet. He would let us know he was coming, and we would meet with him and hear what he had to say about events in the Yemen.

Q: Before you left, Freddie Reinhardt came?

ROSS: Yes. This is all involved with my next post. I had taken home leave in the fall of 1959 and had been assured that I was going to be in Cairo for at least another year. I got back in October or November of '59. Shortly after that, Ray Hare left. Norb Anschutz was in charge for a time, and then Freddie Reinhardt was appointed. Before he got to post, I got a message from the Department indicating that they were looking for somebody to be DCM in Conakry, and asked me if there was any reason why I wouldn't be able to take the job. I must say, in all frankness, I was not enchanted. I replied that they had only recently told me I would be in Cairo for another year and I made plans with that in mind. I also said my wife was just then undergoing an operation in Cairo. I suppose you would say it was minor surgery, but you never know. It did necessitate a certain convalescence, and I was loath to leave.

I spell all of this out, but the upshot was that they did send me to Conakry. What happened was that Freddie Reinhardt knew all the circumstances, and he thought when he left Washington to come to post, that he had it settled that I was going to stay. But he hadn't been there but about a week or so, and he had just presented credentials, when he had a personal message from Loy Henderson, saying they wanted him to release me and send me off to Conakry.

So at the end of March 1960, I left Cairo alone, leaving my wife and our younger son, who was in school in Cairo.

THOMAS C. SORENSEN
Information Officer, USIS
Cairo (1957-1959)

Thomas C. Sorensen was born in Nebraska in 1926. He graduated from the University of Nebraska with a B.A. degree in Political Science and Journalism in 1947. He joined the U.S. Information Agency in 1951, serving in Lebanon and Egypt. Mr. Sorensen became the Deputy Director for Policy and Planning at the USIS in 1961. He was interviewed by Larry Hall in 1990.

SORENSEN: In February '57 I was sent to Cairo as Information Officer under PAO Bill Weathersby. I was there until the spring of '59, when I came back to the U.S. to the Agency to be the Desk Officer, Program and Policy Officer, for the Near East -- Lebanon, Syria, and Israel.

Q: Now, in all of those jobs, you had a good chance to observe the usefulness of the whole USIA function in relation to the whole foreign policy of the United States in that area, which was largely concerned at that time with the relationships -- not exclusively, but with the relationships -- between the Arab world and Israel, and the peripheral aspects of that. What do you think of the way that USIA fit into that role within the Foreign Service community?

SORENSEN: Well, then as now, the Arabs had a love-hate relationship the United States. They believed, then and now, that the United States was responsible for the creation of Israel, and sustenance of Israel, whom they viewed as an alien intruder into their region. At the same time, they had a special affection for the United States, stemming partly from our democratic

institutions and our Jeffersonian history, but also, in part, from the fact that the Americans they had known in that region over the previous century had been benign missionaries, teachers and medical people, who provided a great deal of assistance in helping the development of the region.

In fact, the Syrian Protestant College became the American University of Beirut, which has survived, despite all.

Q: And created many Prime Ministers for most of the Arab world in its time, did it not?

SORENSEN: That is right, but more then than now. So, there was this affection for the United States and what the United States stood for in general, and there was a disaffection for what the United States stood for in particular. That was at the heart of U.S./Arab relations then, as it is at the heart of U.S./Arab relations now.

Now to come around to answer your immediate question: The role of USIA, (which I think I see more clearly now than I did then) was to provide sustenance for those who wanted to maintain this American link. They needed to know about us, to hear about us. Our explanations about U.S. policy were mostly futile, but the flow of information about the United States, and cultural activities involving the United States, kept the flame alive for the day when relations would be better. We are still waiting for that day, but that was the function of USIA. I think it was a valuable one.

Q: You think it was a valuable one? I was just about to ask you. In fact, that role, that long-term role, do you think that would justify the existence of those operations in any case, even though we were not able to foster specific, local, foreign policy objectives?

SORENSEN: Well, we wasted a lot of time and money and emotional capital in trying to do the impossible, and that was both a strategic and a tactical error on our part. But, what we did do, on the other side, on the long-term -- call it "cultural," although I still have trouble with that word in this context -- side, was worth the money expended.

Q: Will you comment, in a general way, on the different roles? Is there a split between information and culture? Are these two different things and do they blend into each other, or what kind of a mix do you think the Agency might have had best in the Middle East, if that wasn't ideal?

SORENSEN: I never thought there was a split. I didn't then and I don't now. If one creates a split, it turns the purely information part into a kind of PR propaganda machine, whose credibility is damaged by being separated from the total presentation of the American story. We'll go into this further later on when we discussed what happened subsequently.

Q: Right.

SORENSEN: I think the two belong together. I thought so then; I think so now; and, of course, although they were then separated in Washington, they were not separated in the field. The

Public Affairs Officer was in charge of both the cultural and the information programs.

Although the cultural program was back-stopped in the State Department, the Ambassador, in every instance that I know and, certainly, in Beirut and in Cairo and in Baghdad, looked to the PAO just as much for guidance on the cultural side as he did on the information side.

Q: I think that was generally true, although it may have varied from post to post in intensity. I'm going to ask you a question in a minute on the specific types of programs you think were most effective in those days, in connection with your operating on the ground in Beirut, in Cairo, in Baghdad, and from your viewpoint in Washington, as well. What specific kinds of programs, if you can think of some, do you think were most effective?

SORENSEN: I think a number of the programs had a positive effect. The exchange of persons program certainly did. It brought adult leaders, opinion makers, doers and shakers, to the U.S., and students as well. Their visits to the United States had a positive effect on a great many of them, with both short-and long-term consequences. The program also brought American academics and performers abroad -- useful, but probably less so.

In Lebanon, where there were many small newspapers, all hungry for content, we filled the papers with our press releases. I became skeptical of the effectiveness of this; we were counting column inches, not changed minds. Looking back, maybe I wasn't entirely right. The flood of column inches kept a flood of information about the United States in front of the Lebanese. The Christian Lebanese, who worried about their eventual fate in a vast sea of Muslims, wanted to always have a contact, a tie, with the United States, although they too periodically felt betrayed by the U.S.

The two years that I spent in Egypt were those immediately following the Suez War.

Q: This was from 1956 to 1958?

SORENSEN: 1957 to '59. They were very enjoyable years, although Egyptians needed permission from the Ministry of Interior to have contacts with us, so you knew that the people you knew and were friendly with were all authorized "friends" of the Americans.

It was a period in the Middle East, at all levels of diplomacy, private diplomacy as well as public diplomacy, of little progress. I didn't think we accomplished anything. Even now I don't feel I accomplished much in the two years I was in Cairo, except helping to keep that pipeline of information about America. Now, of course, Egypt is our friend. Maybe we helped lay the base for that back then.

Q: The material providing that continuing contact was just news stories about the United States in general, films about the United States in general, nothing to do with specifics of foreign policy, but about the U.S. and keeping them in touch with us?

SORENSEN: That is right. We had a very effective Cultural Officer in Cairo for most of the time I was there, Bill Lovegrove who now, sadly, is no longer with us. Lovegrove was not at all

politically minded. This, the Egyptians liked. They didn't want anything political.

I was clearly politically minded, and Lovegrove was ten times more effective than I was. He had the usual suspects, you know, piano players and various artistic ventures and so on there, all of which the Egyptians responded to warmly.

Q: But not to separate cultural items from information items, I assumed that Lovegrove used USIA films and USIA books and even some of the pamphlet material that you had available in his programs?

SORENSEN: His library was full of people looking at all of our media products. All the various media were used. In the field, as you know, unlike in Washington, there weren't walls between the media. They were mixed together and used according to what the people on the scene believed was the best way to use them. They weren't considered, in the places I served in the field, IPS programs or IMS programs or ICS programs. They were post programs.

Q: Exactly. You were there for a number of critical years as far as relations between the Arab world and the United States were concerned. Do you have any feelings about the Voice of America and its Arabic or its English language programs into that area, or from your experience in Washington, do you have any feelings about it?

SORENSEN: The Voice of America was listened to. You will recall that we had transmission facilities on -- was it Rhodes?

Q: Rhodes, yes.

SORENSEN: Broadcasting a medium wave signal into the Mediterranean.

Q: As well as short.

SORENSEN: As well as short, but the medium wave had, by far, the greatest impact. People listened to it. Again, it was part of the totality of this connection with America that I talked about. It didn't make anybody change his views overnight. But the Egyptians weren't dumb. They knew that their own radio was hopelessly propagandistic, and so even though they might have not liked American policy, they listened to the Voice (and the BBC) when they wanted to know what was really happening.

Q: Right. So, again, the VOA served, along with all of the other arms of the USIA establishment, to keep up that continuing link between people and the United States, even though they may have frowned upon our foreign policy.

SORENSEN: There was another way in which the VOA was important. Nasser's regime did not accurately convey to the Egyptian people, through the totally controlled and nationalized press, what American policy really was. We could not get it into the newspapers, because the newspapers weren't allowed to print it.

We published a little newspaper called As-Saddaga (Friendship), which had extremely limited circulation, restricted by the government. So the only way to find out what American policy was, was to listen to commentary on the Voice of America.

Now, some people thought that the Voice of America was only for news and it shouldn't appear to be an instrument of American policy because listeners might think that it had something to do with the U.S. Government. But I never met a listener to the Voice of America who didn't think The Voice had everything to do with the U.S. Government. Nobody out there thinks it's an independent radio station.

While they wanted to hear the straight news, and that's what got, the editorial, the commentary, provided them with an accurate description of U.S. foreign policy in the area which they were not getting from their own media or from their own government.

Q: Do you agree that that was a good idea, as long as the commentary was clearly labeled "commentary," separate from the news?

SORENSEN: Yes, I do, and I fought for that then and believe in it now.

JOHN H. KEAN
Officer in Charge of Egypt and Syria (United Arab Republic), Sudan
Washington, DC (1958-1960)

Program Officer, USAID
Cairo (1961-1964)

John H. Kean was born in Saskatchewan, Canada in 1921. He attended George Washington University, receiving an A.B. degree in 1943 and a M.A. degree in 1947. Mr. Kean worked in the Department of Commerce from 1943 to 1952, whence he joined the Foreign Service. Mr. Kean's overseas career included posts in Turkey, Egypt, Ghana, and Swaziland. He was interviewed by W. Haven North in 1994.

Q: Then you came back to Washington for a couple of years, and took on Egypt and Syria. Boy! you take on all these big ones, don't you?

KEAN: Yes. I got a hint from General Riley a couple of months before I was to return to Washington that that was going to be my fate, and that surprised me a little bit, because I had been to Egypt in 1955 on this familiarization trip in relation to Israel and then just before I learned that I was going to be working on Egypt and other countries, we made a tourist trip from Turkey during the Easter vacation to Egypt and Jordan and Lebanon. So back I went to Washington to take on what was then the UAR, the United Arab Republic which was Syria and Egypt joined in a union, a rather tenuous relationship. Sudan which was then administered as a part of the NESAB Bureau (Near East South Asia Bureau) was also part of my responsibility from

1958 to '60. During this time, I did make one trip to the Sudan and a somewhat incidental stop in Egypt.

Q: You were still in the Foreign Service?

KEAN: No, I actually went back into the Civil Service, because my assignment in Turkey was a temporary Foreign Service assignment as a staff officer.

Q: Then you took on the UAR and the Sudan?

KEAN: Yes, at the time that I arrived on the scene to work on Egypt we had just reopened the Mission following the break in diplomatic relations and the withdrawal of the assistance program in Egypt at the time of the 1956 Suez war. So we were just beginning and making initial plans to resume programs that had been going on and perhaps most critically to extend PL 480 assistance to Egypt. We had really no program going in Syria. The relationship between the U.S. and Syria had always been quite tenuous so as things began to pick up in relationships with the then UAR, we were really only beginning a program in Egypt and continuing a program in the Sudan which had begun at about the time Sudan became independent in 1956. It's hard to say where the greatest focus of attention was. With a going program in the Sudan and a very activist Mission Director, named Bob Kitchen in the Sudan, the level of communications initially when I came on the scene was certainly more active vis-a-vis Khartoum than with Egypt, but it was also apparent that in terms of the potential importance of the countries Egypt and Syria had the greater demand on our time. With the small staff that we had, we were going to have to focus on Egypt primarily over the long pull.

Q: What was the scale of our program at that time?

KEAN: Well, it was next to zero in the summer of 1958. We were feeling our way back into a new relationship with Egypt as anyone knowing the time period would be aware. Not only had the Suez war interrupted our relationship but the Suez war grew out of the U.S. decision not to finance the high dam at Aswan.

Q: The Suez war grew out of that decision?

KEAN: Yes, the Suez war was indirectly, at least, in part if not in large part, a result of the western decision, U.K., U.S. and World Bank decision not to finance the high dam because Egypt, in 1955, decided, to a degree, to throw in its lot with the Soviets and in September 1955 sign the Czech arms deal in which they bought massive quantities of Czech and (and to a lesser degree Soviet) military equipment and began to negotiate with the Soviets for the financing and construction of the high dam at Aswan. So the whole western relationship with Egypt (which had been quite active in the period after the 1952 revolution though strained at the same time), had to be rebuilt. The strain, of course, derived from the Cold War as well as the U.S. relationship with Israel. Egypt, as an Arab country, resented the tremendous support that was being extended to Israel. So it was a break of massive proportions in 1956 which was only being slowly healed as we began to try to rebuild a relationship with Egypt for broad geopolitical reasons even though it was fairly clear that Nasser had thrown in his lot to a very substantial degree with the Soviets by

entering into the arms deal. Now, the U.S. had had a quite substantial and very broad-based technical assistance program in Egypt from the period 1952-1956.

One of the major undertakings that the U.S. had entered into during that period was to set up a project in 1953 as a binational fund which was unique for the Near East. It was called the Egyptian American Rural Improvement Service, EARIS. That went forward in the planning and early development stages for reclamation of a fairly substantial chunk of land, several hundred fedans or acres in the lower delta next to Alexandria, which was being reclaimed from Lake Maryut and two smaller pieces of land out in the Fayoum Depression, south and west of Cairo. The model for this administrative structure was borrowed from Latin America. At least nominally, the Ambassador (for the U.S.) and the Egyptian Minister of Agriculture were the co-directors of this joint fund. The work on the reclamation activity, which that program was designed to carry out, had been drastically slowed down but hadn't fully stopped during the period of the Suez war and the following year and a half when the U.S. no longer had a Mission there and for some period didn't have diplomatic representation in Cairo. The first thing that was done was to revive that program and resume the suspended activity for which funds were already in place. This was a fairly easy thing to do. So that was the first activity that was undertaken as assistance resumed.

The Mission was opened with a few key personnel in mid-1958 under the direction of Ross Whitman (who was also Counselor of Embassy for Economic Affairs.) To reactivate EARIS a small staff, which initially included Horace Holmes ("Mr. Point Four" from India) was sent to Cairo. He and Paul Kime and Al Lackey and a secretary were sent as the people to administer the revival of this activity. It was in early 1959 when that group went to Egypt and opened up this technical assistance activity. The land reclamation part was pretty largely in the hands of the Egyptians and had gone forward during the hiatus. We didn't have technical people there primarily concerned with reclamation. They were mainly focussed on planning for the resettlement component of the program, which meant the design of villages, the development of the village facilities and the services that should be provided and working out the concepts that would underlie this resettlement process. The resettlement really means bringing people from other villages in the delta to settle this new land.

Q: Why were they doing that?

KEAN: There was steadily growing pressure on, and demand for, land as population increased. The Government was anxious to show that it was meeting that need and the U.S. found it politically desirable to cooperate. A large block of funds was committed to this project in 1953 as the last act in Egypt of the Point Four program before it was consolidated into FOA. Lake Maryut was one of the best areas for reclamation in the country. It was at the level of the Nile, not up on a bench land, and it was an area that had been flooded. Lake Maryut was the area that was being drained for reclamation, and somewhat fortuitously it turned out that this was some of the best land around. It had a great deal of calcareous material from the sea bed that had been there before the delta was built up and with a certain amount of leaching to get the salt and alkali out of the land, it turned out that it was very rich. So it was a very fortunate place to undertake this program and it did well in future times as people got onto that land.

Q: Was this because of overpopulation or did people have to move for other reasons?

KEAN: Well, the key issue in Egypt, of course, is land. The rapidly growing population already meant too many people per acre to productively employ them in agriculture and there were few alternatives. People were therefore selected from some of the most crowded villages in the delta. Young families were the preferred group for the resettlement. This was the next step.

There's a lot of fiction in the whole notion of the joint fund arrangement. The Egyptians regarded EARIS as their project. They thought of this jointness as strictly window-dressing. As far as they were concerned, we were welcome to come and meddle in their business to the extent of providing technical assistance but the rest of it, the joint jurisdiction was something they never acknowledged de facto, even though they acknowledged it de jure: but "we went through the motions". We occasionally held these formal meetings between the Ambassador and the Minister to ratify something or sign an agreement but the ordinary day-to-day activities were carried on by the Mission Director. As the Mission was opened, the Economic Counselor of the Embassy was made the Mission Director, so you had it integrated at the head between the Embassy and the Mission, and that's the way it existed for quite a long time there all the way through all of my association with Egypt which then ran for nearly eight years.

So we are beginning something which is a major chunk of my career. Except for a period of seven months when I was in Pakistan in 1960 to early '61, I was in some measure associated with and concerned with Egypt either in Washington or in Cairo for the whole period from 1958 to 1966. There were periods when my major attention was focussed on other things and I was only partially concerned with Egypt. Nevertheless, during all of that period except for the time in Pakistan I had some reason to be concerned with Egypt. As I said, I visited the Sudan in 1959 for about six weeks and then spent ten days in Egypt and had some opportunity to become acquainted on the ground with the situation in both of those countries. I did not go to Syria at that time because we really didn't have anything going there.

Over the next 16 or so months, while I was working on Egypt in Washington, we continued to gradually expand the program. A presentation was made in Washington late in 1958 about a set of things we might undertake to do in Egypt. That was included in the Congressional Presentation for the 1960 fiscal year and so with the beginning of fiscal 1960 we began to expand and increase our involvement. This was a response to the gradually thawing political relations between the countries and a deliberate effort to try to expand our relationships with Egypt. This was a counterbalance to the expanding Soviet involvement there. With the beginning of construction of the high dam in 1958 the Soviet presence became very significant. Throughout my whole time of involvement we were in a sort of head-to-head struggle against the Russian penetration of Egypt. It wasn't as direct as I've seen it in other countries (e.g. Afghanistan) but it was still intense. Clearly the U.S. and the Soviet Union were striving for influence there and so our involvement reflected that.

Our activities in the first year or two included EARIS and a few other activities but mainly the beginning of a program in the western desert to explore the feasibility of large-scale development of deep wells in the oases of the western desert (Karga, Dahkla and Farafara). From ancient times these oases had been a site of civilization. There is evidence that at one point there were as

many as a million people living out there. They depended on shallow wells, but President Nasser had the conviction that there was a potential for large scale development again using deep-well water. So we sent a USGS team out there to drill test wells to determine the feasibility of development along those lines. That program went on for several years, and later when I was living in Egypt we continued to be deeply involved in that program. It proved to be not such a potential bonanza, although there was a lot of fossil water there which had been deposited geologically eons ago and under artesian pressure. Once the wells were punched, the water would begin spouting fifty feet into the air, but within a year or so the level of pressure declined. Then you would have to sink a slotted tube in the ground and install a pump to continue to draw water. Obviously there was a very slow rate of recharge and you would end up with an inverted cone of the water table in this geological formation where the inflow to the point of the well was relatively slow. You had only a limited supply of water that would not last indefinitely into the future. If pumped at a high rate, you would pretty soon exhaust the supply. Hence, it wasn't going to be a place to settle large numbers of people. That would have been great news for Egypt to have a place to resettle its growing population that was doubling every 23 years and rapidly outrunning the resources of the Nile River and the Nile Valley.

We also put in place a more general agricultural program which aimed to support the Ministry of Agriculture in providing improved research and extension systems. This was not a new activity. There had been similar programs before the 1956 expulsion of the Mission, but I think it's fair to say that the Egyptians were somewhat reluctant participants in this program. They weren't really ready to acknowledge that foreigners had a lot to teach them. They felt that they already had a high-yielding agricultural system. It was a system that had evolved over a period of many decades. They knew how to run it, it was highly dependent on the irrigation system and the system of crop rotation which had also evolved over many decades.

We did send people abroad for training and that had its political as well as its development dimension in terms of having an ever-larger pool of people in that country who had western connections. From the time of the Napoleonic invasion of Egypt on through the 19th century and then with the British and to some extent with French and Germans there was a lot of western orientation and western culture and western ties in Egypt, but they had an ambivalent feeling: "Yes, we are sort of western, but we are not really western; we're really Arabs, Muslims, middle Easterners; we're really people who have our own culture and our own future and we are not sure we want to be associated with these people who are too close to Israel anyway." That was basically the nature of the attitude that existed and formed the tenuous basis of our relationship.

KEAN: After a few months in Pakistan I was transferred to an assignment as Program Officer in Cairo early in 1961 which continued until late 1964. This was a period of testing between the U.S. and the Soviet Union. The new Kennedy Administration that came into power early in 1961 just at the time that I went to Egypt was pretty determined to make a major drive to wean Nasser away from excessive dependence on the Soviet Union. Hence, we began a pretty massive buildup and, in the first two years I was in Egypt, we committed some 350 million dollars there including loans and grants and PL 480 assistance.

It's well to remember that Egypt's population was rising at three percent a year, doubling every 23 years, that there is only a limited amount of land in the Nile Valley, that this continuing buildup of population means that villages and the towns and the cities keep growing and keep occupying more and more of the alluvial land in the Nile Valley which is the optimal land for agricultural production. This drove Nasser to demand, to press on every front for reclamation. This went on throughout the sixties, and even beyond Nasser's time, and continued to be a focus of attention in the seventies and eighties. But the solution to that problem was not all that easy.

First of all, there was need to assess the quality of the land that was available for reclamation. As the population expanded, cities, towns and villages grew and occupied more and more of the area of alluvial soils in the Nile Valley that were most easily irrigated. Good land became scarcer and scarcer. Fewer and fewer acres were actually available. The high dam was itself thought of as a major answer to this, of course, and in preparation for that, the Nile waters agreement had been worked out between Egypt, on the one hand, and Sudan, on the other. (Nobody gave any particular thought to Ethiopia as the source of the Blue Nile. They were just essentially ignored as was Uganda as the source of the White Nile.)

Before the high dam construction was more than barely begun, an agreement was made which allocated fifty one billion cubic meters per year to Egypt out of the eighty four billion per year that is the average flow of the Nile measured at Aswan. The thought was that the construction of the high dam would provide an adequate supply of water to irrigate all of the acreage downstream and provide for the conversion of the last 700,000 acres in upper Egypt from the old style basin irrigation where you flood the land, impound the water, let it sit for a time, let it drain off, plant your crop and get one crop a year only. Instead, with conversion to full water command through canals, a complete cycle of crops could be obtained on those 700,000 acres. In addition, on much of the other land downstream, especially in the delta, the dam would provide an adequate amount of water so that they could follow an optimal crop rotation and have enough water to produce not only the traditional crops of clover and corn and wheat and cotton, (cotton being very important) but also increase the production of rice which was a high value export crop.

During the period after the high dam construction was well underway (from 1961 to 1963) the FAO carried out a major study of available sites for reclamation. To the great consternation of the Egyptians, it determined that there was only a small fraction of the land that could be classified as class one. Most of the lands that they thought of as sites for reclamation were class two or class three, and by the time you get down to class three and all the subclasses under it, you are dealing with pretty lousy economics and technology and water regime environment. So it was really a big blow to the fundamental strategy of the high dam and to the future of the economy of Egypt. In other words, the high dam did not hold the potential for nearly as much expansion as it had first seemed in terms of reclaiming land for resettlement and agriculture. The construction of the high dam went forward throughout the period up to 1964 which almost exactly coincided with my departure from Egypt. Nineteen sixty four was the last time the Nile flooded.

After that you begin to have the closure of the valley and the diversion of the Nile through the penstocks so that all water used for irrigation downstream was used to generate power. The high

dam was designed with twelve generators to produce ten billion kilowatt hours per year of electricity. It turned out that that was an over projection. They could really only sustain ten generators instead of twelve. Nevertheless, that represented a vast amount of power that was available to Egypt for household, commercial and industrial development. That was the other side of the dam that was supposed to be the great bonanza to solve Egypt's burgeoning economic problems. Given the Soviet input to the high dam and the importance that was attached to the high dam by the Government of Egypt, we undertook to build a grid for electricity distribution throughout the Nile delta. The Russians built the transmission line from the high dam to Cairo, a 700 KVA line which was about as high a tension long distance transmission line as had been built anywhere up to that time, and they were going to build it without a ground wire and successfully did that, so that they used the earth itself as the ground for the circuit. That was something of a technical triumph for the Russians, but the amount of power that was going to be available from the high dam and was all going to come on line in a big rush once the generators were turned on meant that the Government of Egypt was confronted with a really serious problem of how to make effective use of that power.

They set about to find a use for it. Interestingly, rather like Ghana, they decided to use some low grade aluminum ore (not as high a grade as bauxite) in middle Egypt. So they built a massive smelter there that used about half the power from the high dam. It may or may not have been a wise decision, but it was their decision and they went ahead with that. Even so, it was the general consensus that there was still going to be so much power available that it was going to be a very difficult problem.

Q: Were we involved in that smelter operation?

KEAN: No, the U.S. was not involved. That was a purely Egyptian undertaking. I'm not sure where they got the financing for it, but it was part of the big picture strategic issues that we were dealing with. But in a sense, we were undergirding a lot of stuff in Egypt indirectly through this massive input of PL 480. That meant that they didn't have to spend foreign exchange to buy critically needed food. So they had funding available for other things and in this sense we were underwriting a large block of what was going on in the economy. Yet we had very little influence.

To get a picture of what was going on in the economy of that country, was extremely difficult. When it came to writing the usual kind of program submission to get the kind of data you would like to have was impossible in one sense or like pulling teeth and exasperating in another sense.

Q: Do you think the Egyptians were really aware of what was happening?

KEAN: The Egyptians were aware of what was happening in the sense that they were happy to have the input that we were making and delighted to be freed up to make some decisions they would have been hard pressed to make otherwise, but they didn't want meddling in their decisions at all nor even our knowing what they were doing. It ultimately became apparent that they were putting the economy on a war footing in preparation for the 1967 war which turned out to be a disaster for Egypt.

Now it's important also to keep in mind that this was the period when Egypt moved from a kind of modest socialist approach under Nasser, from what was called in the late fifties Arab Socialism (the Democratic Cooperative Socialist Society), where the private sector of the economy was still significant to a very much more statist and centrally controlled approach. Up to 1961, the private sector was rapacious, no question about that. It wasn't a great and wonderful private sector. It was a pretty rough-hewn sort of gang of thieves that ran the private industrial and commercial sectors of Egypt. Nevertheless, it was private and it was functioning in a sort of way. The Government moved in and took it over in the fall of 1961. They also began the process of massive land reform. (There had been some modest attempts at land reform before that.) The land reform said that no landowner could own more than 100 fedans. Well, I guess there was a series of reductions, 200 fedans, 100 fedans, 40 fedans, and they kept squeezing down these larger landowners progressively, and then redistributing this land to farmers in 2 to 5 fedan plots. Not very many people got 5 fedans because 5 fedans was a lot of land in a year-round irrigated cycle. You can theoretically turn out a lot of agricultural produce. So this was a really massively changing and turbulent society and a disrupted economy, and a period of great resentment and tension. The U.S. wasn't sure it was happy with all of this action.

I saw certain things about it that seemed to me to be good in the sense that yes, you would get a lot more farmers owning land and they would have an opportunity to develop it, really feel it was their own, and give it their best and not have to be tenant farmers to the extent that had been typical of the situation before. At the same time, it was a pretty messy, brutal business. The government massively intervened everywhere. Prices were administered and distortions to normal incentives caused serious problems. Critical inputs to farm and factory were poorly allocated. It was a rather badly-run, centrally directed system.

Nasser was seeking during this period to be the real leader of the Arab world and resisting blandishments from the West in every sense. So we were trying to make water run uphill by trying to get better and closer relations and at the same time trying to supplant the Russians. You had the Israel-Arab tensions. We were still massively supporting Iran, and the Arabs and the Iranians were at odds. By 1958, Iraq had broken away from the Baghdad Pact and threw in its lot with the more radical Arabs. The tension that was particular between Iraq and Iran was reflected in Egypt which was trying to become the leader of the Arab world and seeking favor with the Iraqis. All of these tensions both internal and external made for a really rough go. Egypt invaded Yemen in 1962 and this added to the tensions.

In early 1961 you had the assassination of Lumumba. Nasser chose to make this a cause celebre. He blamed it on the Belgians, ran the Belgians out, burned their Embassy and just about murdered the Ambassador. It was a tense time in our relations. When you have all of these different tensions going on in terms of economic policy and international relations, it made for a very difficult environment to try to do what we were supposedly there to do—to do development and to make friends with these nice fellows. Well, I can tell you, on the personal level, it wasn't altogether a picnic during the first year or so we were there because the tensions were running very high. It came down to the personal level with ordinary Egyptians quite often.

TERREL ARNOLD
Economic Officer
Cairo (1959-1961)

Terrell "Terry" Arnold was born in Bluefield, West Virginia in 1925. After gaining degrees from SUNY-Champaign, Union University, Stanford and San Jose State, while also performing his duties as a naval officer, Arnold took up teaching and soon after joined the Foreign Service. Throughout his career, Arnold served in places such as Mexico, Egypt, Sri Lanka, the Philippines and Brazil. This interview occurred on March 9th, 2000.

Q: Terry, you're off to Cairo. When? What year did you go there?

ARNOLD: I started out in December '59.

Q: And you were there till when?

ARNOLD: Till the end of '61.

Q: What was the situation in Cairo? In the first place, how did you get the job?

ARNOLD: Well, that was an interesting little task. I was working, as I mentioned to you, in INR in Latin America affairs at the time.

Q: That's a logical connection.

ARNOLD: Right, and with a good group of people there. The first proposal when I came up for my first overseas assignment was that I go to Yemen as a General Services officer, and everyone in that group objected strenuously to that, but as I indicated earlier Bob Dean, one of my immediate supervisor/mentors, decided he was going to take it on frontally. As he reported it to me, he went to Personnel and said, "This young man is a very good economic officer. You don't want to waste his talents on General Services." So they found me the job as junior economic officer in Cairo, which was fine. It was an excellent starting overseas assignment for a young officer.

Q: What was the situation in Egypt when you got there - you know, the general, sort of political and economic situation?

ARNOLD: Well, to start with our situation first of all, we had one of the largest U.S. missions in the world, very large political and economic staffs and a sizable AID mission, and we ran a head-on competition with the Russians then for position in Egypt. This was Nasser's heyday. He was seeking to promote pan-Arabism, had created the United Arab Republic as the combination of Egypt and Syria, and that was still functioning apparently well when we arrived there. There were lots of unsettled business questions on the table on the status of American oil companies, partially or fully owned American firms in Egypt. There were big questions about the future of the Suez Canal, because the British had moved

out and pilots were being "Egyptianized," so the Canal management was for the first time being turned over to Egyptian authorities and to Egyptian staff. The big rumor on the street was the construction of a high dam on the Nile above the low barrage dam that the British had built many years before in Aswan itself. The petroleum industry became one of the focal points of my enterprise there. First of all, I was the junior economic officer, and they gave me pretty much all of the sector analysis and reporting. I had the whole infrastructure. I had transportation, civil aviation, the railroad system, communications, mining, petroleum, and that was actually a first-class set of assignments.

Q: Oh, absolutely. Before we move to the economics, could you say who was the ambassador there and what were you picking up? You were the new boy on the block coming out of Latin American affairs, and so you're obviously talking to these people who've been dealing with Arab affairs for some time. What were you getting about our attitude towards Nasser and developments there at that time?

ARNOLD: Well, first of all, the Ambassador was Bill Rinehart, and Bill unfortunately did not live too many years after that. When he left Egypt, he went to Rome and developed some major ailments that were terminal. But Bill was looking at this whole process - and I know this fairly well because he was a key kind of mentor for me. He used my access in economic sectors very effectively, and I had good access as an economic officer. I was not controversial. I could get around and see things, and I did constantly. It was a big question for him as to just how we would maintain our position in that region, just how we would effectively offset Russian movement into the country and Russian alliances with Nasser. Nasser came across to me as a genuine opportunist. He was not the visionary that some people painted him to be, but he saw an opportunity here and he pursued it. In addition to pan-Arabism, of course, he was looking to sub-Sahara Africa and courting people like Patrice Lumumba in the Congo, so that our task was really to maintain our position in that region and look for, identify, and pursue projects and activities that would strengthen our hand. We did that. The chief of the economic, commercial and AID mission was an officer named Ross Whitman, Roswell Whitman. Ross was one of the few Foreign Service Officers in charge of a combined Economic Section and Aid Mission. He operated out of two separate offices, and he was very good at both of those tasks. He understood these problems, I think, very well, and he also used me very effectively. I felt quite effectively engaged in that country, especially given that I was such a junior officer.

Q: Here you are: this is your first overseas job. How did you get engaged? What did you do, and how did you go about this?

ARNOLD: Well, first of all, I'm a very open character, and I'm curious about everything. I'm not driven by a priori assumptions, and I maintained an open mind. I was not driven by such assumptions as it's impossible for Americans to get approval to visit this or that; I would just go ask. And I was never refused. I would say I would like very much to visit the Sinai Manganese Company in Sinai at a time when Sinai was roped off pretty well, and the company manager would fly me down there in his own airplane. I would say I would like to see the water drilling operations in the Kharga oasis way off to the west of Cairo, and they would let me drive out there and do it. Or, as I did on one occasion because Ross was very

interested, I suggested that he and I take a drive down to the Red Sea in his car to visit some of the mining and petroleum companies way down on the Red Sea below Suez. So we spent a week, he and I and a driver, doing that, and it was all very easy to set up.

Q: Well now, what sort of a state was Egypt in those days?

ARNOLD: In what sense?

Q: Well, I mean would you say a police state, an open state, a state of war...

ARNOLD: It was not a police state. It was very much a one-man show. Nasser had no effective opposition. He was the master, if I may put it that way, of the Piaster protest demonstration. You pay a few pennies to a lot of people and you can fill the street with advocates of Cuba, for example, and they did that two or three times right in front of my residence, because I was on the eighth floor of an apartment house where the Cuban Embassy was located. So they would do a lot of that. Egypt was not definitely on any specific course other than the political and philosophical agenda that Nasser had. Most Egyptians I don't think honestly were participating in that. This was a leadership thing and a very narrow leadership cadre thing. There were developments in the offing that over time would open up the Egyptian situation, especially after Nasser died. One of the more interesting young characters on the landscape was a labor professional named Anwar Sadat.

Q: Did you run across him much?

ARNOLD: Not much because labor was not my assignment, but one of our people, Ray Barrett, did run across him quite a bit.

Q: Just to get this: '59 and '61, had the Czech arms deal already gone through?

ARNOLD: I don't recall that that had gone through, no, and that was a big enough object so that I think it would have made a deep impression. The Aswan Dam had begun.

Q: This is just about the time that John Foster Dulles died, I think, because he died slightly before the end of the Eisenhower Administration, and Christian Herter...

ARNOLD: Well, Herter was already in charge when I left.

Q: There's no secret that there was tremendous antipathy towards Nasser by John Foster Dulles, and I think it was reciprocated completely by Nasser. I was wondering whether this type of thing reflected itself in our everyday relations.

ARNOLD: Well, it reflected itself in our everyday relations in several ways. One of those ways was, of course, it was quite difficult for most official Americans to get around and see people. They were suspicious of us as a group. The peculiar window that I found existed for me was that I was not controversial, I was not involved in politics, and I didn't represent the military. That was their attitude, and I did everything I could to encourage it, and it got me

into everything I wanted to get into. But mostly political officers had trouble seeing their counterparts and so on.

Q: Well, it shows a certain amount of sophistication in the apparatus, the screening apparatus, the Egyptian one, when it could differentiate between a junior economic officer and a political officer and all that.

ARNOLD: Well, part of that was where I went. You see, I would cultivate the economically related ministers, the petroleum people, the mining people, the infrastructure establishment, so that I was guiding myself into a particular sector of the Egyptian infrastructure. One interesting thing about that: There was a very mixed group of people in that sector, people most of whom had some American experience or who were English speakers. Mohamed Salim, for example, who was the head of the Egyptian Petroleum Company, had been briefly on the faculty of the University of California at Berkeley and was very fond of that experience. Mahmud Abu Zeid, who was the reigning terror of the oil industry from the point of national policy and who was the head of the Egyptian cooperative petroleum organization, was married to an American. He was indeed a terror from the point of view of the policies that he pursued, but he was perfectly accessible, and in fact we spent a lot of time talking with each other. Mahmud Ibrahim, who was the Minister of Petroleum Affairs, was always very suspicious, but he would never refuse to see me. Things like that. And these senior contacts all spoke English, every one of them.

Q: Did you have to, when you met people, get through Israeli policy before you could get down to business?

ARNOLD: The Israeli policy seldom came up in direct conversation with any of these people. They were mostly more sophisticated than that. They were better targeted intellectually, and they knew it was a waste of time to talk to an economic person about Israel anyway.

Q: Well, I say that only because during part of this time I was over in Dhahran, Saudi Arabia, as an economic officer in the Gulf, and you had to go through the Israeli discussion, which was futile from both sides, and it didn't go anywhere but you had to go through it. It wasted a lot of time actually.

ARNOLD: When you get into Israeli issues, one of the interesting discoveries for me was the Jewish community in Cairo, and I came upon this through the window of the oil industry. Armand Abdel Ahad was the head of Texaco in Cairo, and he and his wife were Sephardic Jews. The Sephardic Jews, you will recall, were the Jews who were expelled from Spain, and they mostly spread along the North African coast. I tripped over this connection because I happened to be standing - her name was Esther - in her near vicinity, and she started speaking, I could have sworn, Venezuelan Spanish. The reason I thought it was Venezuelan is that the Venezuelan Spanish is closer to classical than any of the others, or was at that time. In effect, she was speaking the Spanish of Don Quixote. I spoke Spanish with her, and I learned about the Sephardic connection. She informed me that there was a small community there, not obvious, not advertising, but not without power when you think about it.

Q: Well now, of course everything in the Middle East, I mean oil, is so potent. What was the status of the oil-producing business in Egypt, and what was the prognostication for its future at that time?

ARNOLD: Well, that was one of my assignments. That's kind of fun. I got to know the industry very well. I got to know everybody in it. I made a special point to get acquainted with everybody in the petroleum industry, and I paid a fair amount of attention to him and I became very good friends with the head of the Arab League Petroleum Bureau. His name was Mohamed Salman., and he was not Egyptian but Iraqi. He later became the Minister of Petroleum Affairs in Iraq. When he went to Iraq - to show you what kind of relationship we had - my wife and I took him and his wife to a very posh Cairo restaurant dinner as a farewell - the only farewell he got from the U.S. establishment, by the way.

Anyway there is a story associated with that, because here's what was going on in the industry. Mostly the Egyptians were trying slowly but surely to squeeze the foreign petroleum organizations and to take over the industry in the country, but they did not have either the skills or the capacity to do it. They had the Egyptian Petroleum Company under Selim. They had the COOP under Abu Zeid, and they had a Minister of Petroleum Affairs. They had their own refining industry, and they were meeting most of their domestic requirements. They did not have a significant exploration program. And there were a number of people, and I was one of them, pressing for serious exploration of the Western Desert, notably the areas west and south of the Qattara Depression. We continued to press for that and there was an enormous American oil company interest in being able to participate in Western Desert exploration. My last official act in Cairo, as a result of being so involved in the process of trying to get this done, was on behalf of the Egyptian government I carried the bid documents to open the Western Desert, at least initiating the process, back to the Department of Interior when I left Cairo at the end of the tour. Egypt later did open up the Western Desert, there was a lot of exploration done out there, and they did find oil.

Q: Well, this was a period just about this time when Libya was really opening up mainly through Occidental and one of the branches of ARAMCO, I know, because I remember I was in Dhahran and they switched somebody over there to run one of the programs. So Libya was really opening up, so I guess this must have gotten the Egyptians rather excited.

ARNOLD: Well, it did. The fact that there were real indications of oil under the western desert, under the North African desert to be sure, caused them to consider very carefully. Although they had a couple of oil fields down on the Red Sea and on the Sinai side, these were all small fields. They were modest producers at the time, and I had modest expectations about them. So if they were ever going to be a serious player in the oil industry, they needed a better show, and their opportunity for a better show was in the western desert. That finally did transpire, but it took several years to pull it off.

Q: They must have realized that if you really want to get in and find oil, you've got to go enlist the aid of the big boys. I'm talking about Shell or Exxon or what have you.

ARNOLD: They had several things that were essential. They had the marketing connection, they had the technological know-how, they had the working capital, they had especially the experience with deep drilling. The Egyptians didn't have any of that, and they knew it. Honestly, the people who were in the positions of authority were not unsophisticated. They knew what their limitations were, and they went along with the idea of putting out a solicitation for bids on the western desert to the Western oil companies essentially, and that's what they did. Of course, the Italian, the British, the French and the Americans were right there Johnny-on-the-spot to try to get into that. So it was a smart decision. There were other things happening. ARAMCO was, of course, very much in charge still in Saudi Arabia, as you know, at that time. In fact, you and I probably met one of the leading lights of that organization named Brandon Grove, Sr.

Q: I probably did.

ARNOLD: I didn't meet his son for many years after that, but Brandon was very much in the picture and in Cairo a lot, because the Arab League Petroleum Bureau was moving to a position of significant influence. In the end what the Arab League Petroleum Bureau did while I was there was put together OPEC, and they put it together with an interesting crowd of people, Sheik Abdullah Tareki of Saudi Arabia, Mohamad Salman of Iraq, Prince Pichachi of Iraq, Mahmud Abu Zeid of Egypt, Mohamad Selim of Egypt, Emil Boustani of Lebanon, and Perez Alfonso of Venezuela - an interesting crowd.

Q: When OPEC was being put together, did we see it as a threat?

ARNOLD: We saw it as an organization with very dubious predictions of (a) well, they'll not ever be able to come together, and (b) if it did, it wouldn't do anything. Even though within the Arab League Petroleum Bureau they could agree on the concept and hold an organizing meeting while it was there, it was not at all clear that they had enough in common to be able to make the organization work. Ultimately they obviously did and took on some additional members from the starting line-up.

Q: You mentioned an Arab League. The Arab League had sanctions against anybody who did business in Israel.

ARNOLD: Yes, sort of.

Q: Yes, it got complicated, but was this an inhibitor for the people you were dealing with, particularly the American firms?

ARNOLD: It interfered with freedom of movement, and interference with freedom of movement is always a problem for an economically organized group. One of the concerns we had was, of course, Trans-Arabian Pipeline (called TAP line). The Trans-Arabian Pipeline ran right through that region to Sidon on the Mediterranean coast.

Q: That came out. Wasn't it in Lebanon?

ARNOLD: No. Sidon is in Israel, and I think it came out right about there. I knew the people who ran the TAP line program very well, because the politics of the region put TAP line in jeopardy at four or five different points along the route. You know, it was a big industry owned pipeline. It was economically very important to the industry at that stage, because the Suez Canal could not handle any very large carriers.

Q: Again, this is not where you were, but you had dealings with Iraqi representatives. I can't remember who was the head of Iraq, but since 1958 there were a bunch of thugs pretty much.

ARNOLD: They were a bunch of thugs then. In the oil sector, a particularly important individual was Prince Pichachi, who was in charge of petroleum affairs at that time. He's the one who attended the Arab League formation meeting for OPEC.

Q: How did we view Iraq? I realize your perspective is Egypt, but you were looking at petroleum.

ARNOLD: I was looking at petroleum and looking at the region in those terms. Our companies were having problems with Iraq - and of course our companies were there; so were the British - and we were trying to figure out what the long-term relationships were going to be. I think in Iraq and Saudi Arabia, in Syria, and for the future certainly in Egypt, the oil companies all saw a special kind of handwriting on the wall. They had to reorganize their operations. They had to back off from complete control and ownership of the local industries. They had to cede power, authority and income to host governments, and they knew that. It was not a question of whether in their minds, when you listened carefully to them; it was a question of when and how.

Q: Well, my little sampling when I was in Dhahran and I was getting the American perspective, but I used to go over to Bahrain, in the Emirates, and in those days it was the crucial space with the United Arab Emirates. It seemed like the Americans understood if you're going to do business, you're going to have to turn this over, more or less and sooner rather than later, to the Arabians, but it seemed like the British and to a lesser extent the French were trying to postpone the inevitable.

ARNOLD: They still had a hold. They hadn't retreated from east of Suez yet. And, yes, they did; they were fighting pretty hard not to change their posture, and that was true in Egypt as well. The British were a bit out of touch with the times in this case.

Q: How about what you were watching? After all, it wasn't that long since the Suez War of '56. How did the British fare in there economically?

ARNOLD: Well, they were fading, and they knew it. One of the big signs of that was having to give up control of the Suez Canal, and the ones who stayed around kept saying there's no way this will ever work. Actually it was working perfectly well, and they hadn't looked at the obvious, in the same way that Americans who are criticizing our handing over the Panama Canal haven't looked at the obvious. In both instances for quite a while before the actual handover occurred, the great bulk of operations had been in local hands anyway, so this was

no big deal when it finally transpired. And, in fact, it wasn't a big deal. I spent a lot of time handholding with people who were convinced that this was going to come to no good, but the Canal ran and ran without problems.

Q: Watching the people who were looking at this, we all remember, of a certain age who dealt with the Middle East at all, about the agony over the Suez Canal and what would happen when those Egyptian pilots took over and obviously they didn't know port from starboard. You heard all these stories.

ARNOLD: And nothing ever happened port or starboard in the Canal if you were doing your job.

Q: I think many of us were dubious it was going to be as bad, but the doomsayers had quite a heyday in talking about how awful things were going to be.

ARNOLD: Oh, they did, sure they did, and they did it regularly.

Q: You had transportation. Was this part of your portfolio?

ARNOLD: It was.

Q: Did you sort of go out and kick some pylons or whatever they call it?

ARNOLD: I went to all the reference points. I went to the halfway point, to Port Siad and to Suez and looked at things and saw the strange object floating the sand, you know, when ships went through the Canal, from the desert they looked like disembodied superstructures floating across the sand. The problem with the Canal ultimately was not the change in management. The problem that the Canal was going to have and it got solved was that it did not have the depth for heavy tankers and it didn't have adequate width for two-way traffic. It solved both of those problems pretty well, but it still can't handle the supertankers. That's just beyond reach, I think, but at least it handles two-way traffic and that makes it a very good dry cargo kind of passage. That was all to take a while, but really ultimately the furor over Egyptianization of the pilots and the Canal operation was a tempest in a teapot.

Q: We so often have so many trade matters when the British pilot's ox is being gored.

ARNOLD: It was being killed. They were done. The best opportunity they had was to be gracious and help the Egyptians take over. That didn't entirely come off, but that was the opportunity.

Q: What about people trying to do business at that time with the Egyptian bureaucracy. I don't know about it, but I assume it's as bad as most bureaucracies are, an awful lot of red tape, paperwork, and a considerable amount of having to pay people in order to get something done. Was this a problem?

ARNOLD: There was a certain amount of problem there, but these guys were not

unsophisticated, and the area in which I saw it most clearly, or I saw a lot of it, was in the oil area. I never doubted that these people knew what they were doing. They may not have had the resources to implement their thought, but they knew what they were doing on the oil side and eventually went the right direction in opening the desert. But civil aviation was a big area of interest. When we arrived in Egypt, we were still running propeller-driven aircraft through that region. It seems an enormously long time ago. That's where we were. But we had two American carriers operating there, both PanAm and TWA, and I did a certain amount of service in their connection. The Egyptian aviation people were very sophisticated. They participated in the international meetings that went on in this field. They stayed in touch with the art of the possible, but a key set of things was happening there, and it was happening in a virtually all the places that I served. Civil aviation was changing. There was a time when PanAm was the unique around-the-world carrier, you know, and TWA was not far behind in terms of its European and Mediterranean operations, so that when TWA and PanAm both introduced jet aircraft into the Eastern Med, there was a certain amount of furor. Egypt itself had created a carrier named Misr Air, and it was flying smaller jets. It wanted a piece of the action.

If you look at the history of civil aviation, policy and negotiations for the United States from that point onward, our net result was a progressive ceding of space, passenger space, carrier space, route space, participation, market share—however you put it, to up-and-coming new carriers around the world. That was the name of the game. That's more or less stable now, I would say, but for several generations of our peers who worked the aviation problems, the big, known, already-on-the-table task was what were we going to give away in order to stay in business on whatever scale we felt was worth keeping, not could we continue to dominate the universe, because that option was dead. The Egyptians and certainly our carrier representatives saw that. They knew they had trading choices to make when they brought in jets, and they knew the Egyptians were going to get what they could for it in the way of rights.

Q: What about trying to sell jets? I imagine Misr Air was probably using Caravels or something like that.

ARNOLD: They had Caravels. I think they headed back to British Airways.

Q: Were we trying to penetrate that market?

ARNOLD: We were. We hadn't as of the time I left there.

Q: It sounds like the animosity towards the United States was certainly on the coarser side, was there or not?

ARNOLD: Not really. People, as in the case of civil aviation, were very practically rooted. In this sector we were dealing with real issues that represented real money, represented economic position and power, and that's a game that's easier to pursue than the political game. The targets are clear. It's easier to state the issues, and it's easier to judge whether or not you can afford what the other side is asking of you.

Q: How did you find your contacts with Egyptians, social contacts and cultural contacts and all this?

ARNOLD: First of all, I had a lot of fun with the Egyptians, and I had fun with Egyptians at all levels. I just loved from time to time to go wandering out into the edge of the desert knowing full well that I was going to be all alone for about ten seconds and somebody would pop over to the right and come toward me and would want to serve me tea in his little lean-to, and I would have tea. The last time I did it was 1994. It still worked. I took a friend who was teaching a course there with me into the edge of the desert, and it didn't take any longer than a few minutes for this person to show up. At the professional level, first of all, there was a lot of sophistication. Most of the people I dealt with were well educated. A few of them were ideologically advanced. Abu Zeid, for example, was a died-in-the-wool, hard-line socialist in his overall thinking. But mostly they were pretty pragmatic. They were easy to get along with, but that does not mean they were pushovers in negotiation. There was a very rigorous - I mean tiring - entertainment schedule in Cairo, and when Yvonne and I left there, the Embassy made a major concession and allowed this junior economic officer and his wife to invite all of their friends to a farewell party. There were 500 people on the roof of our apartment building in a large patio that overlooked the desert and the great pyramids. It was fun, but it was a little bit of everything.

Q: In a way you're talking about the professional class and educated class. Were we concerned about - this fellow you knew - in other words, too many people and too little land?

ARNOLD: We were interested in that, very interested in that, particularly from the economic side, and Ross Whitman's people in the AID program spent a lot of time thinking about it. You could get out into the desert and, if you were paying attention, get out and walk along the edge of the canals in that little green space between the river and the desert and look at the people who lived there, and you could see remarkable contrast. First of all, virtually none the people you were looking at out there in those villages were Arabs; they were genuinely Egyptian, they were Saidi, they were river people, the native Egyptians. They were the people of the Pharaohs, and you could look into the eyes of the children and see that. You could see the eyes in those children that were the eyes painted in the tombs and know the indigenous folk are these. Those people who lived in and around Cairo were something else. They were Bedouin, they were Arab, Armenian, they were Greek, Jewish, Cypriot, Lebanese; in short they were a metropolitan Mediterranean mixture of peoples many of whose members were the elite. The one who was most engaging from that point of view was Nasser himself. He was not an Arab. He was a Saidi. He was born up the river and he was a river person, which made him a novelty in all that schematic. How he got where he was is one of those accidents of history. As I recall he was a close aide and supporter of his predecessor Naguib, and when Naguib left the stage, there was no one strong enough to challenge Nasser. Naguib and Nasser represented basically a military coup.

Q: Why was Nasser being painted within the American press or even in the Embassy as being the devil in a way or with the Third World movement and not aligned movement?

ARNOLD: Nasser had a certain capacity to make trouble. First of all, he was not out of a traditional background. That's important in this schematic. Secondly, he was trying to change things, and change is not always the most comforting process that a Westerner encounters in places where he's got long-term interests. But he was pushing for change. Because he was pushing for change, he could generate alliances with people like Castro or Patrice Lumumba or with Sheik Abdullah Tareki in Saudi Arabia, with the change brokers in every one of those countries.

Q: Sukarno, Nkrumah.

ARNOLD: Yes, yes. He could do that, and he did that, and therefore he made us uncomfortable. He was promoting changes in areas of the world where we were not at all sure the directions those changes would ultimately take would be beneficial. They didn't necessarily look as if they were headed toward what is currently defined as democracy, and there are some weaknesses in the definition that I understand.

Q: What about the Soviets at that time? What were we seeing them doing?

ARNOLD: We saw them doing a fairly neat job of nudging their way into the Egyptian landscape starting with a big success, the construction of the High Dam. They actually began the dam in our second year in Egypt. I spent a fair amount of time walking over the site while they were working there, just getting a sense of what the equipment they were bringing in, the way equipment worked, what kind of approaches they were taking. That was clearly the biggest object on the landscape, and they had beaten us on that one.

Q: Wasn't the feeling at that time that we should have been doing the High Dam, or were we saying, well, this thing may be an albatross.

ARNOLD: We were not at all sure about it. There were some doubts about it. Not sure about its utility, not sure about it as an expenditure of funds and energy for a country as poor as Egypt. I don't think it has made the fundamental changes that it was thought to bring when it was started. Even up to now it has not. It's changed a lot, and the river is different from the way it used to be. The river is very different for the peasant on the river, because they don't get the annual renewal that they used to get, and that's changed a lot. Go out into those villages - I did that in '94 just for the fun of it - and just walk around and you can see how things have changed. At the low end of the income scale, small luxuries popped up everywhere, including motor scooters and things like that, but basic lifestyle is not terribly changed from 50 years ago, or 40 years ago when we were there.

MICHAEL E. STERNER
Political Officer
Cairo (1960-1964)

Arab-Israeli Desk Officer, Bureau of Near East Affairs

Washington, DC (1964-1966)

**Director of Egyptian Affairs, Bureau of Near East Affairs
Washington, DC (1970-1974)**

**Deputy Assistant Secretary, Bureau of Near East Affairs
Washington, DC (1976-1979)**

Ambassador Michael E. Sterner was born in New York in 1928. He graduated from Harvard University in 1951. He served in Aden, Beirut, Cairo, and Washington, DC, and was ambassador to the United Arab Emirates. He was interviewed by Charles Stuart Kennedy in 1990.

Q: *Now you went to Cairo in 1960?*

STERNER: That is correct.

Q: *And what were you doing there?*

STERNER: I was in the political section. I think I may have been the only language officer at the time. I covered the press, did a daily report on what was important in the press, which was good for keeping my Arabic up. I also covered internal affairs which was not very active since there wasn't a great deal of political opposition to Nasser, but there was the Arab Socialist Union, labor union affairs, and I developed contacts in those areas. I was also asked to cover the Arab League, and follow the intra-Arab. I did not have any responsibilities for U.S.-Egyptian relations. The political counselor handled that and other things were handled by other political officers. African affairs for example were very lively at that time because Cairo had welcomed the exiled nationalist movements from several African countries.

Q: *Wearing both an Arab and African hat at the same time?*

STERNER: That's right. And you had these leaders -- for example, a major part of the Algerian revolutionary leadership was in Cairo at the time, and we had an officer assigned to stay in touch with them.

Q: *This was your first embassy. Could you give an impression of your idea of how it seemed to be run? The Ambassador and some of the personalities there? This is an important era we're dealing with -- the Egyptians who were important players at that time?*

STERNER: I had the pleasure of serving under two very competent ambassadors who were also very different ambassadors. The first was Fred Reinhardt, a career generalist who was not experienced in the Arab world but who had risen to senior rank. I think he had been Counselor of the Department before coming to Cairo. He later was Ambassador to Italy. He came at the end of the Eisenhower Administration, and as it turned out had a very short assignment in Cairo, really no fault of his own. It's just that Kennedy came in with the idea of taking distinguished area specialists and putting them in as Ambassadors. Galbraith went to India, Reischauer to Japan,

and we got John Badeau, who was really a remarkable man. He started out as a Presbyterian Minister as a young man in the Middle East and then had been for years the President of the American University of Cairo. He spoke fluent Arabic and knew Arab culture as really few people did. Many of us as professionals were worried that John would prove to be a sort of dreamy academic type who leave classified telegrams in the taxicab, or something like that. And we worried about parochialism. In fact, I think Badeau was a superior Ambassador from a professional point of view as well as knowing everything about Egypt. He had a very broad view and had respect for and confidence in the Foreign Service officers who were manning the Embassy. He well knew, as I well knew, that he knew much more about Egypt than I did, but he didn't try to do the internal political reporting on Egypt. He let me do that. So it was professionally a good experience and I think we had good leadership in those days. Looking back on it, I think we were going through a period where...

Q: We're talking about the 1960-64 period.

STERNER: That's right, in Egypt. As a career service and a foreign policy mechanism, we had too many people following too many things. Our political section was really quite large. There were people assigned to do nothing but follow the Algerians, to follow what the various African Liberation movements were doing. I was doing telegrams each day on what the press was saying. I think in retrospect that we overdid it in that period, and that our staffing could have been about one half of what we had to cover adequately what was important from the point of view of real American interests. The inflation of personnel during that period caused a lot of problems later on when we attempted to shrink the service and it caused, as we all remember from our respective careers, a lot of unhappiness and grief and management problems about what you do about this big bulge of senior people.

Q: I'm afraid we're doing somewhat of the same thing. We're having vast changes in Eastern Europe and we seem to be throwing people from the Foreign Service into those posts. I'm not sure what more people reporting are going to do. This is looking from the sidelines.

STERNER: You may be absolutely right. In some areas such as our commercial section -- that's a legitimate area expansion -- but I think you're absolutely right that beefing up the political section ought to go real slow. There will certainly be more to report, but you don't need six times the number of people that you had formally.

Q: You were reporting on internal politics. How did you find Nasser -- fully in charge, or were there problems? Or was there much to report on?

STERNER: You could basically satisfy the requirements of a Presidential view of American interests in Egypt by saying Nasser has got this place under wraps and it's not likely to change any time soon. That was the long and short of it. But of course there were numbers of people at lower echelons who were interested in the fascinating detail as it were, perhaps too much so. There were too many people back here in Washington creating a demand for all that.

Q: Nasser stood like a colossus there. How did you view Nasser yourself? Here you are, a junior officer, but also what were you absorbing from the Embassy? Because there was a tremendous

amount of concern about him and the Soviets and feeling that he was really a menace to our interests in some ways, and at the same time there were other feelings. How did you all feel about him?

STERNER: Well, I think during my period there, 1960-64, which was nearly five years, I witnessed a major change in attitude. In 1960 our feeling about Nasser was really quite positive and hopeful. We had actually pulled his bacon out of the fire in 1956 as you remember.

Q: That was the Suez Crisis?

STERNER: Yes, and more than that, when Kennedy came in 1961, there was even more of a positive spin imparted to U.S.-Egyptian relations. He and his advisers, Walt Rostow, McGeorge Bundy, were all saying, "Let us select important regional countries, even though these leaders have given us problems in the past and make an effort to work with them." For example, our economic assistance programs began in a big way, particularly PL 480 Food Assistance. We tried to play a role in the World Bank and IMF that was favorable to Egyptian interests. All of that gave a positive flavor to relations in the beginning. We made a major effort to work with Nasser during this period. Then it gradually soured. And it soured over a variety of issues. We disagreed with his attempt to destabilize other countries with which we had close relations -- Saudi Arabia for example. He was openly calling for their downfall. In the case of Saudi Arabia, he welcomed to Cairo some dissident princes who were openly advocating the overthrow of the House of Saud. That was one issue. Secondly, there was the more immediate problem of the Yemeni revolution which took place during this period. The Saudis immediately launched an attempt to destroy the revolution. Nasser launched a counter effort to make sure that it survived and there were some close encounters between Egyptian forces and Saudi forces. At one point we sent a squadron of airplanes based in Saudi Arabia to patrol the border, the northern border of Yemen, and to warn Nasser that if he sought to extend his influence into Saudi Arabia, he would come up against American determination to defend Saudi Arabia. At the same time, the Arab-Israel problem was gradually heating up. There had been a good period on this issue for quite a time. We had enforced, as you remember, the Israeli evacuation from Elat and Gaza which created a real crisis in U.S.-Israeli relations. Much to Eisenhower's credit he didn't allow the Israelis to acquire any territory as a result of that war. That impacted very well and the shadow of those things that the United States had done served us well for quite a bit of time. But, slowly but surely our relations began to unravel on this front as well. There were incidents in Gaza, for example, mainly Palestinians trying to run across the border, and both on Israel's eastern front and the demilitarized zone and in Gaza, there were increasing incidents. The Israelis were periodically retaliating across the borders, and in doing so, occasionally killing Syrians and Egyptians. Things were heating up. I remember the Egyptian Ambassador back here in Washington saying, "We've got to keep this problem in the icebox, keep it in the freezer". That was something that would have been good for U.S.-Egyptian relations, but it couldn't be kept in the freezer. So by the time I left in 1964, we had a lot of problems and there was a different tone to U.S.-Egyptian relations. We no longer had confidence that Nasser could play the kind of stabilizing role that the policy planners in 1960 envisioned.

Q: Then you came back in 1964 to see just the other side of this, didn't you?

STERNER: Yes. I came back to Washington and served on a number of country desks in the old Near Eastern Division. To begin with, I worked on the UAR desk as it was called then, reflecting the period of Syria-Egypt union, and then I worked for Bill Brewer for a while on the Arabian peninsula desk, but did most of my work in and around the Arab-Israel problem. I worked for Harry Symmes when he was head of the NE division, when Roy Atherton came in as Deputy of the Near Eastern Division I worked for him, and then when we all changed to a Country Director structure I worked for Roy Atherton, who was Director of Israel and Arab-Israel affairs. I was a sort of utility infielder in those days on Arab-Israel issues -- refugee affairs, Jordan water problems, the problem of Jerusalem. It was an interesting period, but basically one which was completely static as far as the Arab-Israel problem was concerned until 1967 produced the new crisis. Quite clearly Nasser's prestige had begun to run down. He had to think of something new to put himself back on the map. What better than a repetition of 1956 which had served him so well a decade before. I think that was a major factor in the new crisis.

Q: Let's talk before the '67 war. Let's talk about the period that -- in an interview I did with Dick Parker who was at our Embassy in Cairo during part of this time talked about even there he could see the relationship that President Lyndon Johnson and Nasser -- I mean there was almost something chemical there -- that they really -- the way they were two similar figures -- I mean in both size and looks almost -- but there was tremendous antipathy. Did you feel any of that where you were or not?

STERNER: Yes, we became conscious of the fact that. I would say that during the Kennedy Administration we were essentially neutral on Arab-Israel affairs. Kennedy certainly was not anti-Israeli in any way but on the other hand he wanted to make a legitimate effort to resolve some of the problems in Arab-Israel affairs and who prepared to put some U.S. muscle behind these initiatives. Kennedy didn't have long enough for us to know how tough he might have been. There was a change when Johnson came in but not one that was immediately apparent but which became apparent in slow degrees. For one thing, the back door connection between the White House and the Israeli Embassy became much more important under Johnson. It partly had to do with personalities. Johnson like the Israeli Deputy Chief of Mission, Eppie Evron, who was with this unofficial relationship with the President and his top White House advisors. This had been going on under Kennedy, but it wasn't as prominent as it became in the Johnson period. We became aware of it in the State Department. We were not informed about these meetings, but knew they were taking place and you could see the evidence. Certain things that we wanted to do were simply not getting done and our senior people in the State Department were equally puzzled. Johnson, had close relations with some big fund-raisers in the Democratic Party who were Jewish -- that's one aspect of it -- but I don't think that was the main thing. I think he found American Jews and Israelis sympatico and also had a genuine sympathy for the Jewish experience in Israel. Johnson wasn't anti-Arab but there just wasn't anyone in his entourage or among his friends who made him feel the Arab point of view. I remember that Levi Eshkol, the Israeli Prime Minister at the time, turned up in this country in the mid-sixties with a shopping list which included Phantom aircraft which represented a quantum leap in the level of armament we had provided Israel. The State Department's view was that there were important things that we wanted in return, such as assurances on Dimona...

Q: Dimona being the nuclear facility?

STERNER: Yes, which was of increasing concern to us because the Israelis would not let us in to see the facility and there was a good deal of evidence that they were surreptitiously importing uranium ore and not accounting for it. We wanted them to sign the Non-proliferation Treaty, to put the Dimona facility under IAEA safeguards, and to be more cooperative on the Jordan waters problem. I can't remember the entire catalogue of things but these were what we wanted done and our feeling was that aircraft should not be granted until we got some of these things in return. But in essence we got very little. Eshkol came over, went down to Johnson's ranch in Texas and they had a cozy meeting and the next thing we knew the Israelis hadn't given us a damn thing on any of these fronts but went home with Johnson's okay to provide phantoms. That began unfortunately a pattern where we simply did not have the stick-to-itiveness and toughness and endurance to stand down the Israelis in negotiations in which we had legitimate interests that we wanted them to be responsive to. It was the beginning of a pattern in which subsequent administrations -- any administration which started to take a hard line with the Israelis -- the Israelis had total confidence that if they just persisted and used their assets in Congress, that the President would cave in four months, six months, eight months, whatever it took. And they've been proved right for the most part over the years.

Q: Now, you were doing what when the 67 War started? I wonder if you could tell how the State Department operated at that time? And your view of this operation as far as it impacted on us.

STERNER: I was a Desk Officer on the Arab-Israel problem and so was one of the first people involved in setting up a Task Force on the seventh floor. Before war broke out on June 5, 1967, there was a three week period of diplomacy to try to head off this conflict. You remember the sequence of events..

Q: Could you go over this and how we were reacting, how we were seeing it at the time?

STERNER: We were saying that the sequence of events right prior to the '67 War...

Q: And how you were seeing it and how you were reporting, prognosticating, etc. on this.

STERNER: Nasser ordered troops into the Sinai about May 15, as I remember it, and about three or four days later called on U Thant, then U.N. Secretary General, to withdraw the U.N. buffer force that had been in the Sinai and keeping the peace there. Then about the same time, or a few days later, Nasser announced closure of the Strait of Aqaba to Israeli shipping. At that point I think almost everybody felt that unless this thing could be defused very fast conflict was inevitable.

Q: The Strait of Aqaba was where they were getting their oil?

STERNER: Exactly. I can't tell you exactly what percentage but over the years about 60 to 70 percent of Israeli oil requirements came from Iran and certainly all that oil was coming into Elat. We were seized with trying to get the Egyptians to stand down and to think of various face-

saving ways where it might be possible to prevent the conflict. We were, of course, worried about the implications of a conflict. No one at the time that this thing was brewing had any assurance that the Israelis could win this war in six days time. The Egyptians seemed very confident and for all we knew could give the Israelis some real trouble and we saw emerging out of that a very serious possibility of U.S.-Soviet confrontation, the Soviets being committed to Egypt at that time and ourselves to the Israelis. Even if we did not have such a confrontation, we saw naturally, the possibility of regional conflict unraveling our interests in much of the Arab world. So this was a really serious crisis for the United States. We of course had intensive diplomacy with the Egyptians but not to much avail. However, the Egyptians claimed that on the eve of the war, one of their top people, Zakaria Mohieddine was on his way here and had the Israelis not attacked might have defused the crisis. I tend to disbelieve this thesis because Nasser was too committed in the eyes of his own people and the eyes of the Arab world to the course of action he had taken. I think he wanted a conflict.

Q: This is an important point. Sometimes it is claimed that this was some kind of bluff on the part of Nasser to posture, but at least in your impression and the people you were dealing with, you didn't feel that this was a bluff?

STERNER: No, I don't think it was a bluff. Of course if he had been lucky enough to get the Israelis to accept Egyptian control over their shipping and the right to determine who used the Strait of Aqaba and the disbandment of the UNEF Force in Sinai as a fait accompli and the reoccupation of Sinai with a large Egyptian Army...

Q: But this was never in the cards.

STERNER: But this was never in the cards. And I think he had to know it. The real error in judgment was what his military capability was in Sinai. And here I think Abdul Hakim Amer, the Defense Minister and Commander of the Egyptian Forces, probably oversold the Egyptian ability to stand up to the Israeli offensive. No one knows exactly how Amer died. The official version is that he committed suicide. Some people think he was poisoned by Nasser. My own feeling is that he had plenty to commit suicide, so that we need not feel that explanation is totally implausible.

The other thing that we worked on during that period was to get the Israelis in Tel Aviv to hold off from taking unilateral military action. We were telling them that the international community could take effective action to protect Israeli interests.

We attempted during this period to form an international naval squadron that would in effect patrol the Strait of Tiran and the Gulf of Aqaba and insure freedom of shipping. Our own position of course was that the Gulf of Aqaba was High Seas and the Egyptians had no right whatsoever to exclude the Israelis or anyone else from transiting the Strait of Tiran. We didn't have many takers among our allies and at the time war broke out we had commitments from only the Netherlands and Costa Rica, if my memory serves, for contributions to the naval force. Our European allies were not rushing to join us.

Q: They didn't want to upset their interests because of oil particularly.

STERNER: That certainly, and also because they didn't like Washington's pro-Israel policies. In the end, of course, the Israelis decided number one, that our diplomacy was not going to succeed, and number two, the longer he was allowed to hold these positions, the tougher it was going to be to dislodge him. And also, I think, they decided it would be much more beneficial to them to be the ones to assert Israel's rights rather than the international community. They had something to prove there and they certainly did prove it.

Q: Were you having contact with the Israeli Embassy and the Egyptian Embassy during this period of time? And how were they talking to you and were you sitting in own meetings?

STERNER: The Israelis were at first completely shocked that this had taken place. Secondly, very determined that we should take action and do something about it. The Egyptians on the other hand were full of bluster about the fact that they had the rights to do this. This was Egyptian territory, the Sinai was Egyptian territory, they waited eight years for the international community to do something about the Arab-Israel problem, and this force had been there all this time, and it was an unnatural phenomenon to have an international force. It was the expected argumentation to support their positions. We were not at all persuaded at any point of the legitimacy of what the Egyptians were doing and did not think they had a good case in international law. In my opinion, Nasser was the aggressor in this war.

Q: Were you getting any pressure or any great demands for information from Members of Congress?

STERNER: Yes.

Q: How did you reply on these matters?

STERNER: We were making almost daily trips to the Hill and I was often the sidekick of some senior official who did the testifying. I remember having my arms full with maps and documents. Congressional committees were very worried at this period, as was the Executive Branch, and very impatient to know what the Administration was doing to resolve this crisis.

Q: How did we see the Six Day War and its outcome? As you were involved in these various groups?

STERNER: We were enormously surprised by Nasser's action, initially very worried. We were also disappointed with the Israelis, that they had not given us more time. We thought I at the time, maybe unrealistically in retrospect, that we had something going in terms of this international flotilla and our diplomacy. Once Israel attacked we were intensely worried about the conflict itself, about the potential for confrontation with the Soviet Union, and we were relieved when it became apparent in the third and fourth day of the conflict that the Israelis were scoring victories all over the place. We realized we were off the hook in terms of prolonged conflict and its impact on American relations elsewhere in the Middle East. There were many people who thought we might have to send troops and certainly would have to send massive supplies of military equipment at the time. But it happened so fast, you could hardly keep the

shaded areas on the map moving as fast as the Israelis were taking over these areas.

Q: Well, even at your place, was there a feeling of by this point, I'm speaking of personal feeling, that well, Nasser's got his comeuppance. I say this because I was sitting in Yugoslavia at this time and I felt - Well, he asked for it. I mean this is just a personal view of a foreign service officer and I think this was reflected by my fellow people who were watching these events from some distance away, in an essentially hostile country, including I might add, the Yugoslavs. Not the Government, but the Yugoslav people were very impressed by this.

STERNER: Yes, until this time -- You asked earlier how I felt about Nasser, and as a young man in those days I dealt mainly with young Arabs, and they were all so imbued with the spirit of Arab nationalism at that period, and he embodied that. And then they would say things like, well, you, know, Nasser makes his mistakes, after all he's a human being but at bottom he's the great leader we need. And I remember feeling that Arab nationalism and the kind of reform Nasser represented might be a positive force, one that did not necessarily have to clash with U.S. interests. I was at odds in this with some of the senior people in my own Embassy who were not Arab specialists and who were justifiably more skeptical. My line of argument got harder and harder to sustain as Nasser took actions more and more inimical to American interests during the sixties. The '67 War was the final disillusionment. And it was a watershed in U.S. policy. If you look back before that time, our policy really was that whoever is victorious in any Arab-Israel conflict should not profit by territorial aggrandizement. In terms of basic principle, we had the same view in '67, but with a very important difference, which was that Israel was entitled to stay in the territories it occupied until the Arabs were prepared to come forward and make peace with it. In other words, Israel was entitled to use its forcible occupation of Arab territory as bargaining chips to achieve its objectives. We were all so disillusioned with Nasser, and so relieved by Israel's victory that I don't remember anybody feeling that this was an unjust policy. I was by this time fully supportive of the view that Nasser had seriously let the United States and the world and his own people down, and that he was going to have to pay the price. Unfortunately the Arabs are still paying the price politically for it.

Q: Is there anything else we should cover on this particular time?

STERNER: No.

STERNER: I went to the War College in the 1969-70 period so there was a bit of a hiatus in my coverage [of Egypt]. I came back as Director of Egyptian Affairs. I was supposed to go overseas after the War College, but this job came up. This proved again to be interesting timing because I checked in just three months before Nasser died and a completely different chapter in Egypt's political history opened.

Q: Also a different Administration in the United States too, by that time it was the Nixon Administration.

STERNER: That's correct.

Q: And you served on there, just for the record, from about 1970 to 1974.

STERNER: Yes. One interesting thing to say just as a prelude. When I was in Egypt I got to know Anwar Sadat, a man who at that time no one took very seriously. His job was Chairman of the National Assembly, Egypt's rubber stamp legislature.

I used to go and occasionally attend debates, mainly to polish my Arabic, and when I didn't have much else to do. The diplomatic gallery was not full of people in those days because debates were going on in Arabic, and very few of the diplomats spoke Arabic. Sadat must have noticed me, because one day I was invited to tea at his house. That's how I got to know him. Shortly after that, I was transferred back to Washington. When he was invited on a leadership grant to tour the United States...

Q: This was about when?

STERNER: This was 1966, February 1966. I was made his escort officer because I was one of the few people in the Government who knew him. Sadat turned out to be an enthusiastic and genial traveling companion and we had a very good time. It may have been partly that he did not have high-level responsibility and I don't think ever dreamed he was ever going to succeed to the mantle of leadership in Egypt. We spent some time here in Washington, quite a bit in Congress because of his parliamentary role, and he called on President Johnson. We went to Los Angeles, San Francisco, Sacramento, and then ended up in New York. Except for one untoward incident, which consisted of Mayor John Lindsay canceling a dinner party that he had agreed to host because of pressures from the Jewish community, the visit went very well. Sadat's exposure to the U.S. seemed to have genuine impact and I really think that some of his confidence that things could be different in Egypt and that he could work with the U.S. derived from this visit. When I met with him subsequently in Egypt, he just could not stop talking about his visit to the United States.

Q: This is interesting because here is an Arab leader, although at a lower level, coming to the United States, being taken around and the Jewish community violently, maybe not violently, certainly strongly, anti Nasser, strongly anti-Egyptian at that time. How does one work within this situation and at the same time make the man aware of the depth of feeling within the United States and to understand the politics?

STERNER: Well, we tried to do that. I mean the people who designed the visit. I remember, for example, a long discussion on this when we called on Pat Brown, who was then the Governor of California in Sacramento. Brown after all had a large Jewish community in California, and the conversation about this was very forthright. They got along marvelously together. He invited Sadat to attend one of the sessions of the legislature and he invited him to join him when he gave a talk to a group of high school students. It was a vivid example of American-style democracy in action.

Q: Were you explaining this to him? Were you trying to give him or were you trying to coat it over, or be diplomatic, or using this as a lesson time?

STERNER: I thought on the whole that the best thing to do was to let this come from people other than his escort officer. Indeed it came from them in one form or another. I remember feeling that I thought I ought to be neutral and facilitating in my role and that I shouldn't seem to be shaping the visit, or being a pedagogue. I think I was right about that because he drew his own conclusions from the experience. He must have met with two dozen Congressmen and Senators during his Washington visit. He had a meeting with Johnson. Of course, other Executive Branch officials. He met with community leaders in California and New York. So he got the full flavor of American life. I think the big impression he went back with -- here's a man who had never been to the United States before; he'd been to Europe and to Moscow and to Third World countries -- was an impression of dynamism in the United States. It's not that he ended up liking our policy more but I think he respected our society more, particularly in contrast to what he had seen in the Soviet Union and in Third World countries. Something here, strange as this government was over here, something had released the energies of the American people in a creative and productive way. What was the key to that? Because it was what, as he looked back on two decades of rule by Nasser, he felt his own country desperately needed. In that sense, rather than in any specific policy sense, I think he went back feeling that he wanted something of what the United States had. He associated openness, more open political systems, economic free enterprise and less state control over economy as part of the American success story. Even if the seeds of these ideas had already previously been planted in Sadat, and they probably were, I think the American visit gave them a considerable boost.

Q: How did we view the accession of Sadat? You were Country Director at that time. Not only you but the people who were dealing with this. I mean, a towering figure had left -- one who had already been tottering but Sadat, but this time we were more committed to Israel -- how did we feel about it?

STERNER: It was hard to get anybody to take Sadat seriously for a long time.

Q: He was considered an interim figure?

STERNER: He was considered an interim figure and a weak one. He was a question mark for a long time. For nearly a year, until Sadat would against them, it was assumed that Nasser's lieutenants who were still there would control him and might indeed even choose to dump him a little bit later and install one of their own as the real leader of Egypt. Therefore we could expect no major policy changes and had to be prepared for an Egypt that continued to be an adversary. That was very much the mindset in the American Government. It was the mindset in the State Department coming out of the 1967 War and the war of attrition period, and it was also the view of Henry Kissinger, who had come in as Nixon's National Security Advisor. And certainly it was a mindset in Congress. I didn't know how strong Sadat would be and certainly didn't go around saying, "Listen, this is the man of the future" but I did send up memoranda to the Secretary of State saying, keep an open mind about this guy; I've spent some time with him and I think he thinks differently from Gamal Abdul Nasser. That's not to say that he's going to survive because I didn't know that, but if he did he might be a guy we could do business with. At the same time over the winter 1970 to 1971, Don Bergus, who was head of our Interests Section Cairo, was beginning to get some...

Q: We might point out at this time that we did not have full diplomatic relations. It was broken off in '67.

STERNER: That's right, It was broken off in 1967 as a result of the conflict and ever since that time we had an Interests Section in Cairo which at this time was headed by an experienced careerist by the name of Don Bergus. Bergus was being called up by Sadat and invited to come and talk to him and was beginning to get both directly from Sadat and through various intermediaries a different flavor from the Nasser line. There was a former army fellow who, I can't remember his name now, who was coming directly from Sadat and putting forward these ideas. And as I said, Sadat himself very cautiously in direct meeting with Bergus began to outline some of these ideas. In April of 1970, still fairly new to the Desk, I made just a routine visit out to my area of responsibility. I didn't even expect to be granted an interview with Sadat because after all I was a Country Director and he was the President of a major country, and I expected my contacts to be limited to people in the Foreign Ministry. While I was there an invitation came from Sadat to meet with him. Bergus and I went out and met with him at one of his rest houses at the Barrages, the Dam across the Nile north of Cairo at the head of the Delta. It was a lovely spring day. Sadat had a large topographical relief map of the Sinai tacked up on a board and without many preliminaries -- he was happy to see me and so forth -- he began to outline a deal for partial Israeli withdrawal in Sinai and a reopening of the Suez Canal. Bergus had some of these ideas before, but not as clearly or in as much detail. We had certainly never heard anything like this from Nasser. Still, there was the question of how stable Sadat was. This was clarified about a month later when there was an attempted coup by Nasserists like Sami Sharaf and Minister of Interior Guma. Sadat moved against them before they could move against him and chucked them out. And that was the end of Nasserist influence in the Sadat regime. At the same time Washington was troubled when Sadat shortly afterward concluded a treaty of friendship with the Soviet Union. So I was sent out again in July of that year with a set of questions to pose to Sadat to get reassurances. He gave us very good reassurances about this, that this did not indicate that the Soviets would have any more influence, that this did not detract in any way from the ideas he had previously discussed with us, etc. With this in hand we thought we were on the road to a major new opportunity in the Arab-Israel issue. Assistant Secretary Sisco's trip in August of that year was an effort to make further progress. But unfortunately we were up against some serious obstacles. One was Israeli Prime Minister Golda Meir who was a very tough and suspicious old lady about these developments in Egypt. She really did not believe there had been any significant change in Cairo. The Israelis were skeptical that he meant what he said, that even if he did, that he had the ability to follow through on it, etc. Essentially the Israelis contributed nothing to this diplomatic dialogue and we were constantly going back to Cairo and saying Now what more can you do for us to help persuade the Israelis you're for real, and Sadat was getting increasingly impatient with this performance. There was just no reciprocity messages coming from the Israelis. The second obstacle was the fact that Sadat himself was not very methodical. He was good at these big concepts, but down the line he didn't have good foreign ministers or advisers who could translate these ideas into smart negotiating tactics. This is a lack that plagued him, throughout his career. Even in the Camp David period later on, we were bedeviled by the same lack of capability. And the third problem was an emerging split over all this between the White House and the State Department. The State Department really thought we had something promising here. Kissinger at the White House was much more skeptical, much more of the

Israeli view. He tended to see things in terms of the U.S.-Soviet chessboard on which Israel was our pawn and Egypt was the Soviet Union's pawn. It was just a different optic from the one that we regional specialists tended to have. In this particular case, I think, Kissinger was wrong and we were right. The events of history demonstrated it. Had Israel responded in 1970 and 1971 they could have been spared the 1973 conflict.

Q: Well tell me, do you have the feeling -- because in other interviews I have gotten people who have dealt with Henry Kissinger on various things -- that often, because he had his own policy on the Soviet-United States chessboard conflict, that he was undercutting other policies by going around and maybe telling the Israelis to hang on tight, as long as you're with us , we're with you. I've gotten this, not in the Arab-Israeli, but in other contexts. Did you have any feeling of this? I don't want to put words in you mouth.

STERNER: Yes. I have mixed feelings about the Kissinger legacy. In some ways, he brought to American foreign policy a needed corrective. We were coming out of a period of excessive bilateralism all over the world, with desk officers rushing up to the Secretary of State and saying, "I'm the Desk Officer for Tierra del Fuego and you've got to realize, Mr. Secretary, that Terra del Fuego is one of the most strategic places in the world and therefore we have to have this enormous bilateral aid program". I think Kissinger is to be respected for having brought a more systematic evaluation of American interests-where they were vital, less vital, important, semi-important, some kind of scale of values to an assessment of American interests around the world. He lent a sense of architecture to American foreign policy, as well as accomplishing some very important things like the China opening and getting us out of Vietnam and some major arms control agreements as well. So leaving aside Middle Eastern parochialism for a minute, his contribution was a major one to American foreign policy. Unfortunately, in the Middle East in the 1970-1973 period, his influence was deleterious in my view, and unfortunate. He was undermining an effective policy to avoid yet another Arab-Israeli conflict and to start a negotiating process. He consistently underestimated the importance of regional actors and overestimated the importance of the superpower rivalry and superpower control over events in that part of the world. After all, as we all know, Sadat went to war on his own in '73. The Soviets had very little to say or do about it, and there was plenty of evidence that they were taken almost by as much surprise as the United States was.

Q: Well, there you were, the Country Director for Egypt at that time. How did you relate, or did you have any connection with the National Security Council under Kissinger or was this all at a different level?

STERNER: No. It was by proxy because the person who had the relationship was Joe Sisco and I was working for him. And the people on the seventh floor in the State Department.

Q: The seventh floor being the Secretary of State and his policymakers.

STERNER: Yes, and the Deputy, and the Under Secretary for Political Affairs. I mean those are the people who dealt basically with Kissinger. But relations were already very strained between Rogers and Kissinger at this time, and the strain had a lot to do with the Middle East in specific terms. At my level, I was constantly getting directives, think pieces, national security decision

memoranda, that struck me as being wrong. My first action would be to try to get Joe Sisco's attention. He didn't always see it the way I did, but sometimes did, and try to get him to do something about this latest policy distortion. You would see it in many different forms. For example, in the period right after Nasser's death, we had a major problem with Egypt over the commitment it had entered into in the so-called cease fire-stand still agreement that brought the war of attrition to an end in 1970. The Egyptians had agreed that they would immediately halt the construction of a SAM 2 Missile defense system which...

Q: SAM being a Surface-to-air-Missile.

STERNER: I don't know how much detail you want on this.

Q: I do. The Egyptians saying they would disassemble...

STERNER: Not disassemble but cease construction. That was the so-called stand still part of the agreement and to monitor that we had frequent flights of a U-2 airplane to conduct aerial photographs which had been agreed to between the two sides as part of the monitoring arrangements, producing very good photography of what was and was not being done in this defense zone. Within days it became quite clear that the Egyptians were cheating. There simply were changes, in ramps being built, enclosures being completed, structures being completed, that had not been completed on the day that the treaty went into effect and which was recorded in that initial photography. Don Bergus in Cairo was instructed over and over again to see Nasser. Nasser would simply deny that anything was happening or say that the photography must be in error. That kind of thing. We realized we had a major problem on our hands. The interesting thing however, coming back to Kissinger-State Department differences, was the different perception of who was responsible for this. It didn't affect our instructions, because we and the White House were both agreeing on instructions saying, "Go to the Egyptians and get them to stop doing this thing", but from the White House we were constantly getting assessments to the effect that "It's Moscow and the Soviets that are really putting the Egyptians up to this and we ought to be making this a major issue between the United States and the Soviet Union. Kissinger believed Nasser was crippled by the 1967 war and had no personal power any longer. The Soviets are propping him up and of course he's taking orders from the Soviets. It was not however, my perception, having lived in Egypt for five years, but not knowing much about the global perspectives. So, who was right? I can tell you what my speculation is.

Q: On the war?

STERNER: On this cheating business. On why the missiles were being built. I think Nasser was indeed weakened by the 1967 conflict, but not vis-a-vis Moscow. I think he was weakened in terms of his own military. His own military had been extending these missile sites under Israeli bombardment into this zone to protect Egyptian territory from Israeli air attack. All of a sudden, unbeknownst and unconsulted, I suspect the Egyptian generals, air defense generals, are taken by Nasser's agreement with the Israelis and the United States that freezes their activity at a stage that leaves them in a vulnerable position militarily. Should the cease fire break down as they thought it certainly would at some time, they would be caught with their pants down. They wanted to get these sites done. I think they put it to Nasser in those terms. Nasser probably thought I better not

fight them on this one. The Americans are just going to have to accept this, and eventually the activity will come to a stop. No one can prove this, but that's what I think happened. The episode in itself is not all that important, but I cite it as an example of the kind of disagreement that was going on between the State Department and the White House, exacerbated by the personal differences between the Secretary of State and the National Security Advisor, and the fact that the President was clearly relying more and more on his National Security Advisor for advice and Rogers was increasingly a Secretary of State who was just meant to continue to manage this bit of machinery called the Department of State and Foreign Service, but have relatively little input on policy matters.

Q: Was there a Mr., Ms. Middle East on the National Security Council whom you would talk to or was Kissinger doing this really from personal conviction? Was there much information going up to him from somebody who knew the Middle East on the National Security Council?

STERNER: Yes, I think there was good information. Hal Saunders was over there at that time. He is a very sound man, and probably would not have shared many of those views. You see, Kissinger started out in 1969 saying to everybody the one area I don't want to have anything to do with is the Middle East. The reason is I'm Jewish and even if I were completely impartial which I'm sure I'm not, I would be suspected of not being. So I'm going to leave this area to the State Department. For a while that seemed to be the case, but slowly but surely, as this cease-fire and stand-still agreement took place, as there was a change of leadership in Egypt, as the State Department began to get engaged in this diplomatic effort and to see new opportunities, Kissinger began to feed the President memoranda which took a contrary point of view. I don't think that the people on the National Security staff had much to say about those things because it was not systematic. And their brief in a way was to stay out of the Middle East. But privately some of these memoranda were going forward in effect saying, "Look Mr. President, don't get sucked in entirely by the State Department's views on this matter. Israel is our ally. As long as Israel is strong, the Arabs do not have the ability to make a new war in this part of the world and we should be very very reluctant to discard that policy which has served us quite well over the years for something new and uncertain when we don't know how stable this guy Sadat is, when it's going to cause a ruckus down in Congress, when the Russians will see it as weakness, and so forth. This began to lessen the President's confidence in what the State Department was doing. At about the same time we were running into great problems in trying to move the thing forward, because Golda Meir was having none of it, and Anwar Sadat was so unsystematic that he couldn't take advantage of the situation. We were not going anywhere and Kissinger on the other hand was gaining the President's increasing respect because of his ideas about China, about how to get out of Vietnam, and so forth, and suddenly we turned around and Kissinger was not only calling the shots everywhere else, but calling the shots on this one as well.

Q: Now I wonder if you'd talk about another player there, although in a subsidiary role. And that was Joseph Sisco who became a very close collaborator with Kissinger at a later date. But this time you're talking about him being, what was he like working for him? After all he's a controversial person. This is somewhat different role from what you see later. Could you talk about him and working with him and how he operated?

STERNER: Yes. As assistant secretaries in NEA go, Sisco was a particularly strong bureaucrat,

and I don't mean that in any invidious sense, I mean it as a compliment. He could get things done more effectively than most other assistant secretaries that I've seen and most people with foreign service background. He was very good at seizing the initiative and at retaining control over affairs. Indeed, we saw this happen in a very vivid way. He moved from Assistant Secretary in IO to NEA ...

Q: IO for International Organization.

STERNER: International Organization Affairs. And when he was there he had control over several issues that might have been construed as Middle Eastern issues. Such things as the refugee problems, Middle Eastern issues that were handled by the United Nations. Joe wanted to run those and he did while he was Assistant Secretary. The minute he came over to NEA he brought with him all those issues, so we realized what a powerful Assistant Secretary could do for you. I found him effective in this way. He also lent a new cast to our whole operation as a bureau. Let me speak about that for a moment. Traditionally many of our Assistant Secretaries of State had come up through the ranks as Middle Eastern specialists in one form or another. There had been a few exceptions to this. Phillips Talbot, for example, who was John Kennedy's appointment was an outsider who came in. But the others, Parker Hart, Ray Hare, for example, were area experts. And it meant this was a place where you could at least expect a dispassionate view of American foreign policy interests in the Middle East to prevail. In many other quarters of the U.S. Government you had to expect that the judgment would be affected one way or another by domestic political considerations, or at least that they would not put up a big battle to resist domestic political pressures. And in general, we expected, whether our Assistant Secretaries were Arabists, as they occasionally were, or if they were people brought in, we expected that kind of view to prevail at the Assistant Secretary level. Joe Sisco brought something different. He did not perceive his job as being one to speak up for Arabs, or our interests in the Arab world. And in that respect, I think he was a disappointment to many of the Arabist officers or the Middle East specialists in the Bureau. He was much more interested in getting something accomplished and believed that the way you did that, rather than just standing up for a policy interest point of view, was to understand and work within domestic policy constraints to get something done. It was only through that type of attitude and that viewpoint that you could effectively relate to the seventh floor, the Secretary of State, and the political levels of our Government. Sisco was success-oriented. What good, he would have asked himself, does it do to stand on principle if you can't accomplish anything? And he saw accomplishing something as the only way to approach the big objectives.

Q: In other words, we're talking about domestic politics.

STERNER: We're talking about domestic politics. But also about the global as opposed to regional viewpoint. Joe usually saw which way the wind was blowing. In order to get a few points won and a few things done for the State Department he knew he was going to have to take into account and maybe meet half way the Kissinger point of view. He was really fundamentally different in attitude. Now was it more effective or less effective? There were times when I felt it was far more effective, and operational, than what had gone before. At other times I thought Joe was being too tactical and sacrificing too much of what should have been policy firmness for the sake of achieving short-lived tactical advances.

Q: Can you give some examples now?

STERNER: No, it's really...I would have to review notes to do that, to be fair to Sisco. I can just at this stage, give you my impression that I reacted, maybe on several occasions, saying Joe, you're giving too much for tactical reasons here and you're eroding an important point of policy that ought to remain firm. And that of course had to do mainly with giving in to the Israelis at various times, with what they wanted. You know, give them those aircraft, don't fight them on there settlements, that sort of thing.

Q: Well, how did the October '73 War play out from your perspective? How did we react to it and what were you doing at this time?

STERNER: Well, again, I happened to be back -- I mean, I was still back. It was six years later, or whatever, from the '67 war and I was still in the Department. This time I was a couple of notches up the line. But there I was setting up another Task Force. This was a much more interesting, difficult and of course less decisive war. To Kissinger's credit he saw about midway through the conflict that there were major diplomatic opportunities that could be seized, if you could bring this conflict to an end in a way that preserved those diplomatic opportunities. And he charged in. He had just moved over from the National Security position to the State Department as Secretary, so he was in a position to do that. He had all those loyal folks over at the White House still working for him in effect. Brent Scowcroft had been there as his Deputy, who was elevated and saw eye-to-eye with him on most issues. And now he had all this machinery he could mobilize as he saw fit within the State Department. He negotiated the terms for a cease fire with the Soviets that set the stage for negotiations. He fought the Israelis down when they wanted to persist in the war so as to complete the encirclement of the Egyptian Third Army in the Sinai. He knew if that whole army was captured or destroyed that the Egyptians would be so humiliated and so defeated that it would detract from post-war diplomatic opportunities. And in this case the Israelis backed down. In essence, the war ended on a no-victor, no-loser note which was important for what transpired. Kissinger got talks going at Kilometer 101 in Sinai, which led to a more stable cease fire. Then talks began under U.S.-Soviet auspices in Geneva. The Soviets were then firmly moved out of the picture and Kissinger took over the negotiations himself. He achieved three agreements: the first Sinai agreement, the agreement for disengagement on the Syrian front, and finally the Sinai II agreement for a further stage of withdrawal. So it was a notable achievement. But with the Sinai II agreement the potential for further progress along these lines was exhausted. You could not carry this slice-of-territory for slice-of-peace concept any further. The Sinai II agreement was a victory but it had its costs for American policy in the form of an ill-considered undertaking never to deal with the PLO which plagued our policy for the next ten years. Kissinger agreed to that. The Israelis got very tough -- said they were not going to agree to the Sinai agreement without this assurance and he ended up giving them that. And then I went off to the United Arab Emirates at about this point.

Q: How did Kissinger at this time use the Desk? Or the Country Directorate?

STERNER: It was frustrating. Kissinger really was his own show. It was frustrating for me but if you talked to Joe Sisco who had by this time become Political Under Secretary, and he

reminisces accurately about this period, he would admit to at least equal frustration. Kissinger was an exciting guy to work for. I mean he was the man who was getting these agreements done, he knew how to use power, he was a supreme diplomat, he had these Middle Eastern leaders eating out of his hand. At the same time he was maddening because he wouldn't confide in you completely and wouldn't delegate authority on any systematic basis, which maybe a Country Director couldn't expect, but the Under Secretary had a right to expect every now and then. He dealt behind your back with other intermediaries. The end result was that you got used as a flunky of one kind or another. And if you got upset about it, he sent you off as an Ambassador somewhere. He didn't hold it against you, he just didn't find it very convenient to continue to operate with you around. In fact, he may have thought these are the people we ought to have as Ambassadors. He was frustrating. But there was a lot to do at the desk level. We were emerging from a situation of severed relations with Egypt. I had a very busy desk all of a sudden which meant without even messing with high policy up there on the Arab-Israeli problem, I had a lot to do. We had to reconstruct our entire embassy staff, get an aid mission out there to take care of aid matters, and deal with debt problems. I helped negotiate a debt-relief program and also spent a lot of time organizing the effort to clear and reopen the Suez Canal.

STERNER: I was summoned back to the Department again to work on more Arab-Israel stuff.

Q: *By that time was Carter in?*

STERNER: I actually got back at the very tail end of the Nixon Administration. But Carter came in...

Q: *You mean Ford.*

STERNER: I mean Ford. Exactly. The job I was brought back for did not as it happened open up. It was to be the Middle East man on the NSC staff, but that didn't pan out. Then one of the Deputy jobs in NEA opened up. It was back to my old Arab-Israeli specialty, but the timing was very fortunate. I took the job only a few months before Sadat made his famous trip to Jerusalem, and what had been in doldrums the whole time I was in Abu Dhabi, suddenly became the liveliest thing in town. Originally the job was to cover geographic responsibilities, several desks that had Egypt, Israel, the Levant, as well as Arab-Israeli negotiations. But the Arab-Israel negotiations side of it proved to be so time consuming that they split the job off, and I took over that responsibility. I went along on all of Vance's shuttles.

Q: *That's Cyrus Vance.*

STERNER: Yes, the Secretary of State. Under Hal Saunderson's direction, who was the Assistant Secretary, I was responsible for preparing all of the staffing for the trips and the paperwork that had to be done. I was expected to come up with ideas on how to move this thing forward. Later, when it was decided to use a special emissary, first Roy Atherton, then Bob Strauss, and Sol Linowitz, I had a sort of double role. I was a Deputy to them and made trips with them while still holding the Bureau responsibility. I did an awful lot of traveling in those days.

Working both for the Secretary of State and for the special emissaries was interesting and sometimes a bit difficult because there were frequent differences of view about how to proceed. It ended as we know with Jimmy Carter summoning everyone to Camp David in September of 1978. I then had the professionally rewarding experience of being on the American delegation which supported the peace treaty negotiations at Blair House and at the Madison Hotel, that finally resulted in the Peace Treaty between Israel and Egypt. We thought the Egypt-Israel negotiations would give us a good start on doing something about the Palestinian issue, but unfortunately we were wrong. Before the day was over, I must have spent thousands of man hours trying to get the so-called autonomy talks for the West Bank and Gaza off the ground. Bob Strauss and Sol Linowitz were our leaders in that effort. We ran into the insurmountable problem which was the Israelis wanted their bilateral peace treaty with Egypt, but did not want anything to happen on the West Bank or Gaza. They just stalled, and Washington was not prepared to have a major crisis in U.S.-Israeli relations to break the impasse. So, the autonomy talks gradually ran into the sand. In my final year in the Department, before I decided to retire, I had another assignment of coming out of the Peace Treaty, which was to set up the peace-keeping force that is a buffer between the two sides in Sinai, between Israel and Egypt in Sinai. The U.N. Security Council, not favoring what increasingly became apparent as a bilateral peace treaty between Israel and Egypt, would not participate, would not agree that this force should be constituted under a United Nations mandate. So the three parties, Egypt, Israel with the United States help, determined to set up their own peace-keeping force, outside of the U.N. and I headed the negotiating team that helped the two sides fashion an agreement. I had a good time doing this and it was nice to leave the Department -- instead of on a note of disappointment which would have been the case with the autonomy talks, to leave on an upper, at the conclusion of a successful negotiation and a professionally rewarding experience. I don't know how much time you want to go spend on this, Stu.

Q: I'd like to go into it. But first I'd like to go back one and then come back to this. When you came back and you were dealing with the Arab-Israeli problem once again, what was your impression of the Israeli Government, particularly Menachem Begin and his Government? How did we view it and how did we deal with it?

STERNER: Anyone who knew anything about the background of the Arab-Israel problem had deep cause to be worried about the implications of Begin's coming to power because in 1970, if I remember correctly, Begin led his party out of the then National Coalition Government on the issue of whether Security Council Resolution 242 calling for Israeli withdrawal from territories in exchange for peace applied to the occupied territories of the West Bank and Gaza. His position was that the Security Council Resolution was all well and good for the Syrian front and the Egyptian front but it didn't have anything to do with the old mandated territories of Palestine. On this he parted company with Prime Minister Golda Meir, whose government had agreed to the proposition that Security Council Resolution 242 applied to all occupied territories. Now when he reappeared as Prime Minister, head of the largest coalition in the Knesset, six or seven years later, people who remembered his personality which was single-minded and stubborn, could have made the reasonable assumption that he was not going to change his views on that subject. On the other hand, Begin was a bold leader. He'd after all created a party out of nothing. Herut was his creation. And built it to a point that it had become the main challenge to the Labor

Party. I think there was something of that in his background, a willingness to take chances which made it possible to get the peace treaty with Egypt. Unfortunately the present leader of Israel, Yitzhak Shamir, with whom we're wrestling now, voted against the Egypt-Israel Peace Treaty, even though he was a member of Begin's party. And I think one of the problems we're finding with Shamir is that he has all of Begin's stubbornness and none of his imagination and none of his boldness. Maybe imagination is too strong a term but at least none of his boldness. So, we were mainly frustrated, and God knows so was Anwar Sadat, but at least the leadership in Israel in those days was strong.

Q: And could deliver.

STERNER: And could deliver. Today you have a Government that's not strong and no one knows what it could deliver.

Q: What was your impression? I mean, as time goes on, Jimmy Carter seems to grow in my estimation as being, he's been involved in the tricky business in Nicaragua and he's comported himself extremely well. This is my own -- but what is your impression of how he operated and how much was he in control of this process, as you saw it?

STERNER: He was, the most effective President that we've had on Middle Eastern Affairs, because at some point he got interested personally in the Arab-Israel problem. And I think he genuinely felt, without any anti-Israeli feelings, that some kind of redress should be done for the Palestinians, that they had lost their homeland. He also felt a keen personal bond with Anwar Sadat, that Sadat was a great statesman of the period. Carter just got involved in a way which was unprecedented for an American President. A great deal of credit must be given to him for his boldness in summoning everyone to Camp David. A lot of these things are pre-cooked and you have these Presidential meetings, summit meetings, you know exactly what's going to happen ahead of time. Quite clearly this was not the case at Camp David. It was a high risk proposition. He could have looked very poorly if it had turned out badly, and it damned near did, if Sadat hadn't gone the extra mile and saved his bacon.

Q: How did he do that?

STERNER: Well, Sadat gave in, perhaps not wisely, on a number of key issues. Jerusalem was one of them, the question of settlements in the West Bank of Gaza being another, the whole question of linkage between the bilateral peace settlement between Egypt and Israel, and the Palestinian question.

Q: Well, this is whole other thing and I hope sometime we can work something to go into this, maybe with Dick Parker. I wonder if you could tell some of the problems you had with setting up this peace keeping operation.

STERNER: The first problem was to get the Israelis and Egyptians to agree on the terms under which the force would be set up. I had no idea how complicated this would be -- establishing a peacekeeping operation de horo, outside of the U.N. I got good advice from Brian Urquhart, the U.N. Assistant Secretary General who had set up so many peace keeping forces.

Q: Was he British or Irish?

STERNER: No, he's British, and a fine man. Incidentally, if you haven't read his memoirs they're quite interesting. He also did a good biography of Hammarskjöld. He writes well. He had fascinating experiences in the Congo as well as the Middle East. Anyway, to get back to the Sinai force, there was the question of the size and composition of the force: the Egyptians wanted it as small as possible, and the Israelis had no confidence in it unless it was considerably larger than that. How should it be equipped? The Egyptians wanted very lightly armed forces, the Israelis wanted heavy military equipment.

Q: Why? I mean why would there be this difference between size and equipment?

STERNER: The Israelis basically saw it as a force that might well have to fight. The Egyptians saw such a large force as a derogation of their sovereignty because of course the force was entirely stationed in the Sinai, on their territory. And as they saw it the peacekeeping force had been imposed on them as a condition of the peace treaty. It was not something they liked. There were also problems about where these units should be stationed, about where the observation posts should be placed. The Israelis made a determined effort to try to get the Egyptians to agree that two large Air Force bases in Sinai that the Israelis had built should be used exclusively by the force. The Egyptians didn't want that because they saw that as a further detraction of their sovereign right to reoccupy Sinai as they saw fit. At the beginning the two sides disagreed about every provision and detail. There was the additional problem of creating the zones, of how you staffed the observer mission to carry out the peace treaty's provisions for the other zones in the Sinai. We also had a major problem about American involvement. The Israelis wanted American troops in the force. The new Reagan administration also liked the idea. You know, we must reverse the Vietnam syndrome. Let's show them that we can send American boys out there. But the Egyptians didn't want American forces there. They wanted contingents from non-aligned countries. We had difficulties over such matters as a status of forces agreement. What happens when one of these soldiers was arrested for drunkenness in Cairo or Jerusalem. So it was a prolonged negotiation, but I had the enormous advantage that both sides knew that unless they came to an agreement the Peace Treaty would not be implemented. I had a little delegation that consisted of a political officer, a military adviser -- a Colonel in the American Army -- a legal adviser from the State Department, a couple of other specialists brought in from time to time to help me out. And we had excellent support from the Embassies and the Consulate General in Jerusalem. We negotiated to have one session in Jerusalem, next session in Cairo and got to know those places pretty well. I must have made nine or ten trips to both places, occasionally shuttling between the two with the help of the Cairo Air Attaché's little Beechcraft aircraft. It was a professional challenge and also a lot of fun. As your career goes along in the State Department, no matter what position you reach, there's always somebody looking over your shoulder, so to have almost exclusive responsibility with nobody between you and the Secretary of State to just get something done, was very gratifying.

Q: Were these really the orders -- Get something! I mean, rather than we want it like this, I mean it was really let's get this thing going?

STERNER: No one cared what the details were, but they wanted this thing to be in place by the time the peace treaty was supposed to go into effect. So I had a deadline of about eight months to get it done. And we had a lot to do in this period. For example, funding turned out to be a major problem. Both the Egyptians and the Israelis started out saying we're not going to contribute a penny to this. I had to go back and say to them, Uncle Sam sure as hell isn't going to pay for the whole thing and you know, we had some tough sessions on this point. I finally got Sadat to agree to put up a third of the money and the Israelis -- I said, if he puts a third, you've got to put up a third -- and got them to agree to that. I committed the USG to the other third, and to a financial arrangement for the initial year, because there were some major start up costs, for the U.S. to pay 60% of the costs. The Egyptians and Israelis 40% We made a hand-shake deal on this without even reporting it to the Department, let alone Congress. I knew I had to get something done, and that time was limited. I said this may be the end of my career but to hell with it. I then came home to face the music in Congress. I went down there and said this is the arrangement which I think will be real good if we can get it, if we can only sell it and Lee Hamilton and others down there said, Gee, it sounds all right to me. Compared to what Federal officials generally have to go through to get funding for projects, I still can't believe it happened so easily. People tell me now, who are involved in that part of the world, that the Sinai peace keeping force works well and that the agreement and all the details we negotiated provide a good foundation for its operations. Much of that was not my doing but the doing of Ray Hunt, who was appointed to be the first Director General of the Multi-national Force and Observers, and was tragically assassinated in Rome where he had his headquarters by Italian Red Brigades.

Q: Was it connected with it, or just...

STERNER: I think he was just a convenient target of some kind. You know, next to the Ambassador who may have been better guarded, he was one of the prominent Americans in Italy.

Q: How did the other great power, Arab-Israeli, Egyptian-Israeli, but how about the other great power, the Pentagon, which was going to supply the troops, how did you find dealing with them?

STERNER: It was difficult getting countries, including our own country, to participate. At first the Pentagon really didn't want to have anything to do with this thing. They were with the Egyptians. It ought to be a non-aligned operation. But at a very high level the Israelis clamored for American participation. The answer is they didn't have any confidence that...

Q: Well, they'd already been through this other thing in '67.

STERNER: Exactly. And had a good reason to have some lack of confidence in peacekeeping force. So the State Department made up its mind that it was in favor of American presence, and we after all had a Secretary of State at that time who had been a military officer, who had considerable clout with the Pentagon. And it was decided that the Pentagon should contribute an infantry battalion and some support elements. The only trouble was these packages came in much larger units than we wanted in the Sinai. For example, we got a Fijian battalion that was 600 man strong. Self supporting American battalions don't come at less than a thousand and we had already negotiated an overall manpower limit for the force which had been very difficult to

get because the Egyptians had been so sticky about it, and then we had to go back to them and say, listen, I'm sorry, but if we have to have American forces and we do, we have to raise these limits. It was also very difficult to persuade any other countries to participate. We finally got a battalion from Fiji, that great power out there in the South Pacific somewhere, and Colombia, which was somewhat more respectable or at least a country which people had heard of. And that was the initial force along with the U.S. battalion. Then with that in place, our European and other allies began to say that it was something we can participate in in a quiet way and they contributed some support elements. The Italians gave us a couple of frigates, well not frigates, but small naval vessels that patrolled the Sharm el Sheikh area. The French gave us helicopters. The Australians and New Zealanders gave us fixed wing aircraft. The British gave us an MP contingent. And gradually it became a real international force. Since then the Canadians have come in with something. So it's worked out well. I had several meetings with Anwar Sadat himself, shortly before he was assassinated, and with Menachem Begin, so it was a fascinating experience for me. And before I got involved with anything else, I decided to retire and do other things.

WILLIAM E. RAU
Temporary Duty (E and E Plan)
Cairo (1961)

Consular Officer
Port Said (1961-1963)

William E. Rau was born in Michigan in 1929. After receiving a B.A. and M.A. from the University of Montana, he served in the U.S. Army as first lieutenant from 1953 to 1955. His postings abroad have included Thessaloniki, Port Said, Cairo, Pretoria, Izmir, Istanbul, Kabul and Athens. Mr. Rau was interviewed by Charles Stuart Kennedy in 1998.

RAU: Well, they had been having trouble finding a place for him, an onward assignment. And so Briggs was saying, "Well, what about Cyprus? He's a good language officer." They said, "Well, we've already assigned Rau there." So he said, "Does he speak Greek?" They said, "Yes, he is very qualified for it." But they decided since they had an investment in Ledbetter, why, they broke my assignment, and there's where the Arabic reared its head, because I had put on one of these April Fool's sheets that I was toying with the idea of going into Arabic language training.

Q: You might explain what an April Fool's sheet is.

RAU: Well, this was a sheet that was due on April 1st.

Q: It was called the "Post Preference Report."

RAU: That's right, in which you indicated which you wanted your next assignment to be and where you were heading, pointing yourself. And I had said on one of those previous ones that

somebody read that I might be interested in learning Arabic and going into Arabic training. Since I had been able to qualify in "hard" languages, they thought I might be a likely candidate. But before they would put me into Arabic training, they assigned me as vice-consul to Port Said, in Egypt, which was then the UAR [United Arab Republic].

Q: Then you were assigned from there to Port Said. Wow!

RAU: That was quite a change.

Q: You were in Port Said from when to when?

RAU: '61 to '63.

Q: Could you talk about what the "Post Report" said and what you were doing '61 to '63?

RAU: Yes, well that was an interesting time in my career for one principal reason. It made me realize, when I saw what the plush posts were in the Arabic world, that I didn't want to raise a family and be an Arabist. But I did use the two years there to learn something. Certainly, the whole purpose of the Port Said consulate, really, was the Suez Canal, the traffic going through the Suez Canal. There were just, what, two officers and an Agency person there, a code clerk, at that post. We did some consular work that would come through there. We had a couple of crazies that we had to deal with one time. (End of tape)

Q: You were saying you were getting kind of bored.

RAU: Yes, and the inspectors came out. We had an inspection. And when they came out they asked me about it, and I said, "Well, what's here I'm doing, but there's not a lot here: the volunteer reports; I'm trying to learn some Arabic with a local instructor..." But we were raising a family, so it really wasn't a question of social life. There wasn't a lot of social life there because the Nasserites were in control and they kept a distance from us.

Q: This is a very difficult period, wasn't it? We were just not on good terms with Nasser.

RAU: Dulles had turned down the Aswan dam business, and what we had fortunately going for us - the only thing I can remember with a great deal of fondness - is John Badeau was named ambassador, and he was a real Arab scholar, and he knew Nasser very well.

Q: He was from the American university in Cairo, I think.

RAU: That's right. And he would come down to Port Said to relax and spend a day or so. And he'd come to the consul's residence - Frank Walters was the consul there then - and he'd come to his residence, put his feet on the balcony there, watch the ships going up and down the canal, and he'd tell us more about what was going on in Egypt than they learned in Cairo, I'm sure, because he knew everybody. It was a chance for him to let his hair down, and as I say, we really profited from that when he came down to visit.

Q: What was your impression of our relations with Egypt at that time?

RAU: To show you how tenuous they were: first of all Port Said was a shipping town, and the lifeblood of the town were the shipping agencies that had been there. They were all decimated now. All the foreigners that had run them had gone, or most of them except for a few old-timers who were hanging on. And the Greek community was pretty decimated that had been there. There was a small Italian community. It was an interesting post in that sense because all the residents of Port Said and Suez that lived in that area spoke a smattering of about five languages. And they would use them interchangeably in the middle of a sentence. They knew what they were saying, but you had to sit down and try to decipher what they were saying. We got to know a few people there well. One was the son of an old pasha, who had a lot of money but not too much sense. We would have a big picnic with the foreign community on Sundays down on the beach, and he would bring servants. They'd cook up all this shrimp and fish and stuff, wonderful stuff. But those were few and far between. We did not have a relationship with the local community *per se* - I mean the people in power. We knew governor Rushdi, and it was all on a very formal basis. We did do one thing, though. We sent the governor of Suez - I'll think of his name in a minute - we sent him on a Leader grant to the states. And this was the guy who was later put in prison for a plot against Nasser. He had gone over to see Agriculture in Arizona, which was similar to Suez, I guess. He was a very intelligent guy, but apparently got his nose in the wringer, so to speak.

So when I mentioned to the inspectors that I was bored with all this, they went on to Cairo, and as you know, Cairo had had a major evacuation before that. So the first thing they asked the administrative officer, they asked him, "Where's your E and E plan?" He said, "Well, the remnants of it are in that safe. We don't have any E and E plan." They said, "Why?" He said, "We don't have anybody to write it." They said, "We've got just the guy for you." Ha, ha. So they assigned me to Cairo on temporary duty, for, I think two or three months, and Ron Wood's wife, Judy, acted as my secretary. She was looking for some sort of a job, and we put together an E and E plan for the embassy, including a perimeter of defense, compound defense, etc. And Bill Boswell, who was the DCM there approved it. I guess later on they used at least the perimeter of defense, I don't know. But that was probably the highlight of the two years there.

Q: Just to get a feel for the atmosphere, was the place loaded with pictures of Nasser?

RAU: Oh, yes, incredible. One instance I will relate to you. My wife stayed behind but I went out ahead of her because she was having the third child and we didn't know what the health facilities were like in Egypt. So she stayed to have the baby and came out when he was six weeks old. When she came there, I had things arranged, the apartment, etc., but it was coming up on Victory Day, which was when they threw all of the British and French into the sea, the Egyptians.

Q: 1956.

RAU: Yes. Nasser would come to Port Said on that day. So we had this little baby, and we had an assistant naval attaché there. How we managed to do it over the years, I don't know how we did - by hook or by crook - but we did. The Russians would complain like hell, because they had a vice consul cover for their assistant naval attaché but ours was actually an assistant naval

attaché. The fiction was that he lived in Cairo and would make visits down there, but he had a family with a couple of kids, etc. Anyway, we went to his apartment to watch the parade because he had a good vantage point for watching. And while we were in the apartment watching this, we had said to the maid, "Do you want to go to the parade? If you do we will make other arrangements." "Oh, no, no, no, I'd rather sit back." So here comes this parade, and they had what they called the 25-piastre crowd that whooped them up in front of Nasser because they'd really excite them.

Q: They'd pay them some money.

RAU: Yes, and they'd throw these petitions at Nasser's car, usually with a stone attached to them or something, but he would honor a few of these that he would get. And the car looked like a mess after that parade. Anyway, we're looking down, and this parade's coming down the street, and here's this little carry-cot sitting on the side of the curb. We recognized immediately it was the one our youngest son was in. And he's sitting there, and my wife says, "My God, I can't get down there now, it's too late to get over to him." And so she just kind of hid her head and said, "Well, it's in God's hands." Well, the crowd went through and on and parting, and here was this carry-cot still sitting there until it was over. We went back and immediately fired the maid and had to get another one. But that was the kind of thing. Yes, Nasser was still the man in charge, so to speak. He made one trip there a year but his influence was very much felt.

Q: Did Israel weigh heavily? Were relations with Israel a topic of conversation?

RAU: Well, it was in this sense. This was the time of the UAR with Syria. And we were there when the Syrian breakaway took place. And one of my classmates, Dick Dwyer, was in Damascus at the time, and he was making the trip over - something, I can't remember. Anyway, he called up on the telephone - and we knew all of our phones were tapped - and he said something about "This is Dick Dwyer." And I said, "Oh, Dick, how are things in Damascus?" And he heard this *whirr whirr*, this whole system cranking up to record all this stuff.

My wife took one trip over there, I guess just about the time of the breakaway. I didn't go with her because I felt I better not leave here; I might not get back in. We had these children as well. She went to Beirut, and on to Jerusalem. They went through the Mandelbaum Gate at that time, with her parents. Her mother and father had come over. So, yes, Israel was still very much the target. Obviously, they couldn't get over the '56 war.

Q: When did you leave in '63?

RAU: It was the summer of '63, July.

Q: Did the Cuban Missile Crisis have any particular effect that far away?

RAU: Not out there. It didn't bother us. We weren't much into that. In Port Said there were no daily newspapers there. We had short-wave radio - that was about it. We'd listen to Voice of America once in a while, but I didn't get the impression there was a major crisis.

Q: At one point there was a great deal of emphasis on the ability of the Suez Canal pilots.

RAU: To run things.

Q: When Nasser took the place over in 1956, the thought was, well...

RAU: They won't be able to run it.

Q: They won't be able to run it. Was this something you were all looking at?

RAU: We looked at it very closely. We knew the people in the Suez Canal Authority pretty well. Mahmoud Younes was the one running the Suez Canal then. And I must say, when I talked to American sea captains who came through, they were very impressed with the way the canal was being run by these Egyptian pilots. There were a few foreigners still there. We had an American, Alec Langtrej, who was still a canal pilot there. Most of them were Egyptians, and they did a good job. When we sent aircraft carriers through there, they built a superstructure right on the flight deck so you could watch both sides of the canal, because they were constantly having problems with that silting up and, you know, digging it out.

I guess one of the biggest things that happened in those two years in Port Said was we had one of these Greek-American shipping lines in New York, Koulokoundis, that went bankrupt, and he left something like 24 or 25 ships stranded all over the world. Well, we had two of them in the canal, one in Suez and one in Port Said. The *Suzanne* and the *Bridgehampton* - I'll never forget that. And these guys were not allowed to get off. They were on board, and they'd been on board this vessel. As we'd say, they hadn't seen a white woman in I don't know how many months, and they weren't allowed to get off. Well, Bill Boswell, who was the DCM, realized that this was getting to be a political problem. So Frank Walters took the group from Port Said. We managed to get them off. The State Department chartered an aircraft to Cairo, and we were to take them by bus from Suez and Port Said to Cairo when they'd get on this plane to go back. Well, the ones I had in Suez, when they came off that ship, the first place they headed for was the nearest bar, you know, and I had to threaten some of them. I'd say, "Look, you haven't seen the inside of an Egyptian jail, but you're about to if you don't..." You know. Well, there were fistfights and all kinds of stuff. Well, I got them to the airport, finally, both buses, and here trots out the captain of this chartered aircraft and *stewardesses*. There were two or three stewardesses. So Frank and I got this captain aside and said, "Look, these guys have been cooped up for something like two or three months, and we've just managed to get them here to the airport. You could have some problems aboard this flight. What do you do if you have those?" He said, "I've got a solution for that, very simple." I said, "What is that?" He said, "We call the stewardesses up to the front of the airplane, we go up to 25 or 30,000 feet, and we turn the oxygen off. Then they all go to sleep, and we fly on." Whatever brain damage they might have had from that, I don't know.

Q: Anyway, 1963, by this time you had decided the Arab world was not for you.

JAMES H. BAHTI

**Political Officer
Cairo (1961-1963)**

**Economic Officer, Bureau of Near East Affairs
Washington, DC (1964-1966)**

**Federal Executive Fellow, Brookings Institute
Washington, DC (1966-1967)**

**Consul General
Alexandria (1981-1983)**

James H. Bahti was born in Michigan in 1923. He graduated from Michigan Tech with a B.S. degree in engineering in 1948. Subsequently, he received a M.A. and a Ph.D. from the University of Michigan. Mr. Bahti entered the Foreign Service in 1955, serving in Germany, Egypt, India, and Saudi Arabia. He was interviewed by Charles Stuart Kennedy in 1990.

BAHTI: When I was assigned, it was to Cairo, although initially it was to Japan.

Q: So this was not a hand-tailored assignment?

BAHTI: No. I had the tools for the job, and I also was supposed to go to Sao Paulo. So I started reading up on Brazil. I put away my books on Japan and started reading on Brazil. Then a little bit later I was told I was going to Cairo, which indeed happened to me. It was a political officer's job. Sometimes labor officers are assigned to economic sections. But it was not a full time job. The Egyptians were quite secretive about the details of their labor organizations, and they were indeed in a sense an arm of the political organization, the Arab Socialist Union. So my boss in the embassy, Don Bergus, did not give me the impression that I should be spending all my time on labor affairs. I could not have in any case. So I did the reporting on population planning matters. It was not a subject on which the AID mission spent a great deal of time. I followed the domestic politics, the activities of the Arab Socialist Union, and other things, social affairs, women's affairs, matters in that general category of social- political affairs.

Q: Nasser was really at his peak of influence at that time.

BAHTI: Yes, he had very nearly reached his peak when he nationalized the Suez Canal Company. And he had participated in the Bandung Conference [of non-aligned nations in Indonesia], perhaps less actively than was attributed to him. Yes, he was extremely popular. They would truck in people for some of the rallies but nevertheless most people were very enthusiastic about him. I never really bought the allegation that these were staged affairs. You couldn't really stage something like that. Though at the rallies, yes, there were cheerleaders leading chants. That was different. There were long, long speeches and we attended some of those, even though I could not understand a word of it, just to get the general feel and the audience reaction. We would have the text of it the next day anyway.

Q: The ambassador at this time was John Badeau who was a political appointment. What was your impression of him and his effectiveness from your vantage point?

BAHTI: I could not judge his effectiveness as an administrator but as a human being he was first-class. He had been president of the American University in Cairo. He was an engineer. He had been active somewhat in the religious field, not as a preacher but associated with some church. He was an extremely likeable person and well liked. He was such a human person, took so much interest, as did his wife, in the members of the staff. It was just a pleasure to work for him. He would take the time to write you a note or give you a call if he read something you wrote that he liked. So that was gratifying. His wife was a very pleasant woman without airs, like your mother, so to speak. He was fluent in Arabic, and he could see Nasser virtually any time he wanted to. He would go in and they would exchange proverbs in Arabic. I think he was liked by the Egyptians.

Q: We are talking about the early 60s. You were there from 1961 to 1963, what was the impression the embassy was getting from Nasser and what was he doing?

BAHTI: The impressions varied. The only person who dealt with Nasser was the ambassador. But I think generally people in the political section and maybe elsewhere had the feeling that here was a very, very ambitious man, a dedicated man, who saw himself as the leader of the Arab world promoting not only Arab nationalism but in a sense Arab- African unity. I think we felt that he was overreaching, that he did not have the talent to do all of this. Nevertheless, he was very popular all over the Middle East. You could go almost anywhere, to Yemen, to almost anywhere, and you would see pictures of Nasser on display. Little pictures of him in taxis. He was a very popular man. I think we felt we didn't have any choice, he was the leader, we have to deal with him. We must do the best we can. Now as I read history these days, or read the documents associated with the period, there are those who felt that he had to be cut down to size, that we could not get along with him. Well, he really was not cut down to size. A few scares were put into him but nothing that we ever carried out. We did not like his nationalization of the Suez Canal Company, but what could you do about it? The Canal was always his. It was only the company that he nationalized.

Q: What was the feeling about his adventures abroad? Had he started anything in the Yemen at the time?

BAHTI: Yes, the fighting had begun, with the Saudis apparently backing the royalists and Nasser backing the rebels in Yemen. And again, we were active there although I knew nothing of the exchange of notes. I was probably the highest-priced courier in the Foreign Service, going back and forth between people like Ali Sabri carrying messages, the contents of which I did not know. But other times my boss would say, "Here is something, just give it to anybody with a clean shirt". But other times it had to go to Sabri.

Q: Sabri was who?

BAHTI: Ali Sabri had a number of positions. He was a fairly left-leaning member of Nasser's cadre of high officials. He seemed very competent, but his precise title may have been similar to

National Security Advisor and he generally covered those areas. We dealt with him quite a bit, although he was not high on the list of people we liked.

Q: What was the atmosphere of the embassy? Did you feel that the embassy was under siege in an unfriendly country, or what?

BAHTI: No, I don't think anybody had that feeling. There had been some demonstrations earlier, some rock throwing before I arrived, but that was pretty much the last of it, because these could be turned on and off at the will of the government. We had what then seemed like a substantial AID program. It had a different name then, but we were putting a fair amount of money into relatively small projects. We had, of course, backed away from the Aswan Dam deal, but we had things like the manufacture of hard board and paper and things out of local material. The Egyptians wanted that, and they were decent. It took an awful lot of negotiating. I remember negotiating the travel of someone to the United States in the general field of social affairs. It took forever, it seemed to me, to negotiate the terms of this arrangement. There were those in the embassy who did not like to go into the souk or the bazaar, but they were definitely the exception. We kind of laughed at them. I felt perfectly safe anywhere in Cairo, anywhere.

Q: You were somewhat of an outsider coming into a Middle Eastern embassy. Did you have an impression of the Arabists at that particular time?

BAHTI: There weren't many there at that time. The head of the political section, Don Bergus, was an Arabist. Mike Sterner, who later became an ambassador, was an Arabist. There may have been a few others, I don't recall the names. My impression of the Arabists came later. In Cairo we worked together very, very closely. There was none of this, "Are you an Arabist or aren't you?" sort of thing. First of all, you didn't really need it as much there as you did in other Arab posts. Egyptians were generally proud of their English and spoke it quite well, while in other parts of that world it was essential to speak some Arabic. I did start studying it there, learning enough to get into trouble. Give people the impression you could speak it and they would give you a long explanation in Arabic. But there was none of this "I am an Arabist and you are not" type of feeling. I would have liked to have been fluent in Arabic although I did not feel it was essential for my job.

Q: Did you get any feel for how the reporting of our people in Israel was? Was one so absorbed in the Arab world that you looked upon the reporting out of Tel Aviv as 'these people who have been co-opted' and was the feeling reciprocated?

BAHTI: Yes, there was a little of that, as though those in Tel Aviv were somehow defending their clients. We may have exaggerated it, I am not sure. I know the feeling was there, you know 'what are those guys saying, why don't they understand a little more about the real world?' So I guess maybe it was their sense of importance which was exaggerated and maybe indeed three million Israelis were more important than 110 million Arabs. I don't think so, but in terms of domestic politics, it was an important thing. Some of us felt there was a certain bit of color or emphasis that suggested that 'localitis' had affected some of them. This goes back a few years so I can't recall anything specific but there was that impression.

Q: How about the feeling towards the Soviet or Communist 'menace'? How did we feel about that in Egypt at that time?

BAHTI: Well, we knew the Soviets were there in some strength. We tried to keep a pretty close watch on them and know what projects they were supporting. We did go down -- I went down and others went also -- to see the work being done on the Aswan dam and to make some judgement on the quality of the equipment being used, which is another story. I don't think there was any great concern that the Russians were going to take over Egypt. Some said, "Wouldn't that be nice, let them have it for awhile." We didn't see very much of the Russians. They were a pretty closed society at that time. We did regular reporting on the subject to the extent we knew anything.

Q: Was there a problem with the Russian equipment?

BAHTI: Well, I remember some of the power shovels had ordinary roofs on them, and down at the Aswan dam at 120 degrees these things became like furnaces. One thing I noticed was that they split palm trees and fastened several layers of palm tree chunks to the cabs of these power machines to provide a little more shade and, more important, insulation from the sun in midsummer, which was just horrendous. The trucks looked shabby and beaten up, although I suppose that was inevitable. The equipment supplied to the Egyptian military didn't look all that great, but I suspect it may have been the Egyptian drivers more than anything. Egyptians have a way with vehicles which does them in quickly.

Q: You left Cairo in 1963. Were there any other events that I might have missed that happened at the time?

BAHTI: Nothing really earth-shaking. The fighting in Yemen had already started. That was not a burning issue among the Egyptian populace but it was important as far as we were concerned and the Saudis and perhaps to a lesser degree the Yemeni themselves. We were concerned because it was Saudis against Egyptians. There was growing activity in the social field in Egypt. The Arab Socialist Union had been born about that time and there were efforts to make it a more popularly supported organization. It never worked. Most Egyptians with whom I spoke did not know much about it and those who were active were so, I guessed, for personal advancement purposes -- to become a member of the ASU if you wanted to become a principal of a school or be assigned as a doctor to something. I never found an Egyptian in that first tour -- although I did later on -- that said, "Oh yes, I am a member of the Arab Socialist Union." "No, I don't get involved in politics" was the response. But there were things going on. The problem of setting up medical clinics out in the boonies. This was happening and it was a good thing. But the problem was getting a doctor to go out there. Here the doctors were trained or at least financed by the Egyptian government and they wanted to stay in Cairo, they did not want to go out on the farm. There were these efforts to help the population. It wasn't cynical, it was real. And while the average Egyptian might not have a clinic he knew a town not far away which had one or he knew someone whose son was sent to college by the government and all this gave rise to hope. The problem was that this college education was misdirected into commerce and law instead of into engineering and science. So it was going on and the people knew it.

Q: How about the population? You were reporting on populations. Was that as important as it later became?

BAHTI: No, a lip service was paid to population planning, but in a practical sense very little was done. I knew some of the U.N. people associated with population planning, and they just shrugged. Traditionally it has been opposed by Muslims in many parts of the world as an effort to keep down the size of this religious group. You start talking with an intelligent person and he would agree with you. The ones I was talking to did not have that many kids of course. There were poster campaigns but they had very little effect. It reflected on their machismo. Indians are much better at it, and we can get into that later if you wish.

Q: You left Cairo in 1963 and went back to Washington. What were you doing there?

BAHTI: I was assigned to Near Eastern Economic Affairs, and I was particularly responsible for Egypt and Syria, which meant I would analyze reporting, work with the AID people on programs, looking into proposed programs for political sensitivity, generally dealing with the never-ending demands for briefing papers on what was happening in Egypt, on oil for instance. It was a mixed bag of economic analysis and a tremendous amount of reading the reporting from the field on Egypt and on Syria, about which I knew relatively little. Actually the month I arrived in Cairo (in September 1961) Syria left the United Arab Republic. It had only lasted three and a half years. But the Egyptians more often than not tended to be a little overbearing in their relations with their brothers and sisters to the north, and the Syrians resented it, so they left the union.

Q: Did you get any feel for how our AID program was working at that time in Egypt, and did we have an AID program in Syria also?

BAHTI: I think our programs in Syria were largely food programs, PL 480, and various relief programs administered by private and voluntary organizations. In Egypt we had no big projects. There were small things far removed from Cairo, and we liked to see that clasped hand symbol [the AID logo], but the Egyptians didn't really care to advertise too much that the Americans were doing this. They tolerated it and accepted it but they did not want to make a big show of it. Oh, they would have an opening ceremony but it did not get a whole lot of coverage in the press or on television. And it was not all that much money, although, as I said, it seemed like a lot at the time.

Q: Were there any particular efforts that you could see that we were trying to push policies or was it just the idea that there were people who needed help and we were going to give it a try?

BAHTI: I think it was the latter. We did not have a weapon or tool strong enough to influence. Let me qualify that. The food program in Egypt was more important than any technical assistance or any programs to build plants or whatever. Yes, the food program was important. The shipping of grain and flour primarily and to a lesser extent dried milk and a few other matters. This was important and the Egyptians fully realized that and therefore they could not

become very nasty. But they would not bow to our wishes under the threat of the termination of that program. They might modify their position or be fairly decent about it. They certainly listened to us. One of the groups I dealt with was the Afro-American Peoples' Solidarity Organization which we were concerned was Communist dominated, which it was. The man in charge in Cairo was one of the most pleasant persons I ever knew, an author, a distinguished author. You could see him any time and he would listen to me and give me a cock-and-bull story about what they were or were not doing. I would walk back and report it with my comments, and that was that. I had no power to say, "listen you cut out doing this or we are going to cut out that PL 480." We just were not going to do it, it was a question of need, it was a question of people.

Q: You went to the Brookings Institute from 1966-67, was that a sabbatical?

BAHTI: In a sense. I had seen the announcement of the Federal Executive Fellows at Brookings, and at that time I had been working on the Arab economic boycott of Israel, which was a very touchy and very hot subject politically in the United States. All kinds of efforts were being made by people like the American-Israel Public Affairs Committee to eliminate the boycott. 'We must stop sending food to Egypt' or to threaten to stop aid if they kept boycotting Israel. All kinds of cockeyed ideas, thinking that we had the power to turn off the Arabs, which in fact we did not have. There was so much misinformation.

For instance there was the general belief that if you hired Jews that you could not do business with the Arab world. That was wrong. It was believed that if you did business with Israel you would be boycotted. That was wrong. There were any number of misstatements of fact about the meaning of the boycott. I wanted to get that studied and, I hoped, published in a form in which we could say, "Here are the facts of the case." So I wanted to go to Brookings for a fellowship with the idea of doing a study in depth of the Arab boycott of Israel, which I did. Brookings did not print it, they gave me about fifty copies in lithoprint form, which I distributed to different people and tried to get it published in several places, without success. But it still is, as far as I am concerned, the bible on the Arab economic boycott, at least up to the date when the Export Control Act modified rules as far as the boycott was concerned. It first of all required that American firms report requests for information, 'you must agree not to send this on a boycotted vessel' or 'you must not send this via Tel Aviv', things like that. That was considered a boycott, but that to me was not, it was simple common sense, you simply do not send an Arab shipment by way of Haifa or whatever. In any case I spent seven months at Brookings and did this study. I then went back and worked in Jordan, Lebanon, Syria, and Iraqi Affairs, in what we called ARN, Arab States North.

Q: Coming to your last post, Alexandria, where you were from 1981 to 1983 as consul general, what was the situation in Egypt at that time? Had it changed?

BAHTI: It had not changed much from my earlier tour there in the early 1970s. We had a large AID program doing big projects, storage towers for grain and for tallow. We were replacing the

entire sewage system of Alexandria. There were all kinds of water projects, other sewage projects going elsewhere in Egypt, huge sums of money as the result of the Camp David accords. We were putting like 3 billion dollars per year into Egypt for economic and military assistance alone, not to mention PL 480 sales. So relations were good, the Egyptians were pleased with what we were doing. The problem was really spending the money. We could not get projects to the point where they would pass the various tests or requirements that they had to pass to be judged viable, useful and practicable. Nevertheless lots was going on, you could see the handclasp sign [the AID logo] everywhere. I remember in Alex we established a two storied building to teach young women from the villages to operate sewing machines. These were big sewing machines, power machines, which they learned very quickly and then they would be able to work in other factories which specialized in clothing. We would attend dedications of the projects, along with the ambassador when he had the time to come to Alexandria. I went to Cairo quite often and the ambassador came to Alexandria often -- Ambassador Roy Atherton. It was nice to work for and with him again. He was a very personable individual, as was his wife. We had a good working relationship with the embassy.

My problem in Alex was the staff. I did not have an administrative officer. Fortunately I had a first rate secretary who took on many of the admin functions, such as locating housing. There was no government owned housing there except the principal officer's residence. We had to go out and lease all the time, paint, furnish. It was a horrendous job. After I left two and half years later the consulate got an administrative officer. With one consular officer, I was the only other officer there with a consular exequatur, so when the consular officer was sick or on leave, I was back to my early job interviewing visa applicants and issuing visas. It cut heavily into my time; also, the admin work did the same. As a result I did not have the time to do as much political reporting as I should. There was a lot going on there. The Arab Socialist Union was active there and I knew a number of people who were active in it. There was some dissident activity there, the fundamentalists.

Q: Were you there when Sadat was assassinated?

BAHTI: Yes, I was in my residence, actually, on that day and I stayed in radio contact with the consulate. My consular officer, David Usery was at the office and our communicator. Rather than go out I decided for the first couple of hours to sit tight and see what happened. In fact nothing much happened -- in fact it was a holiday. I have always argued, that no one really believed, one of the reasons why there were not a lot of demonstrations, wailing and beating of breasts in Alexandria was because it was a holiday. The people did not want to be done out of their holiday -- they would demonstrate on company time, but not on their own. I may be wrong, but I put that in writing in my report. From then on we were a little more active on keeping an eye on fundamentalist activities -- the dress of the students, the elections in the various faculties of the university and within student groups. What was going on at the mosques on Fridays, what happened when the price of bread went up -- as a short answer they had another riot and destroyed a bakery. So I did what I could but felt badly. The inspectors said you have to do more reporting. I said, "You tell me how and I will do it". They said, "We don't know, but you had better figure out something". By that time I had resolved to retire at the age of sixty and that is the way it worked out.

Q: What was your impression of the effectiveness of our AID program there? I was just listening to a talk by Hal Saunders who said that he always regretted that we got AID money tied into the Camp David accords, that it really was not necessary. Was this money chasing around looking for something to do?

BAHTI: No. There were lots of things to do. The problem as I suggested earlier was describing with some precision what we wanted to do so we could then say, "OK here is \$1.6 million to do this, to put a wing on a maternity clinic or child care clinic, to set up a school for girls from the country to learn how to operate sewing machines. Their ideas were sometimes kind of cockeyed -- "Let's build an elevated highway from Aswan to Alexandria, that will be the American Highway." Well, that made some sense, going through all those villages was a real pain, but as a practical matter there were plenty of other places where it should be sent. Just redoing the sewers of both Alexandria and Cairo was terribly important. They were constantly erupting; the streets were just flooded with sewage and people walking through it, it was just disgusting, sewage being dumped right into the Nile which then goes into the Mediterranean. But this was a long project. I doubt if it is even finished now for during the summer they have to shut the whole project down because Alex is flooded with tourists from Cairo and elsewhere in Egypt. You can't have all these streets closed down, so they would stop work for about four months, and then start up again. It was just very, very inefficient. I told the governor that I really think you are going at this the wrong way, shut it down for a short period, but you don't have to shut the whole thing down, there are some streets which do not have to be open for tourists. I never got very far. Cairo knew this. I said that this project is going to be one of the biggest black marks on our AID program, the failure of the Alexandria sewage project. Nobody cared. It was too bad.

RICHARD E. UNDELAND
Branch Public Affairs Officer, USIS
Alexandria (1962-1964)

Public Affairs Officer, USIS
Cairo (1985-1988)

Richard E. Undeland was born in 1930 in Omaha, Nebraska. He graduated from Harvard University in 1952 with a degree in English literature and received an M.B.A. from Stanford University. In addition to Egypt, his Foreign Service career included posts in Vietnam, Tunisia, Algeria, Lebanon, Kuwait, Jordan, and Saudi Arabia. He was interviewed by Charles Stuart Kennedy between July and September of 1994.

Q: You were there from 1962 to 1964. What were you doing?

UNDELAND: I was director of our cultural center. It was my enjoyable task to install USIS in a glorious, 42 room mansion, which had been located by my predecessor, Marshall Berg. I oversaw its transformation into physically and aesthetically the finest USIS cultural center I have seen anywhere. We even had gamboling nymphs on the skylight, which appealed to me,

although hardly a USIS concern! It housed our active English-teaching program for some 600, a growing library, a fine film projection room, lots of exhibit space and offices of an opulence reminding one of an earlier age, a splendor to which I found no problems in becoming accustomed. Fearing sequestration and probably nationalization, the owner almost gave it to us. But I did have one problem. Try as I did, I could only find 38 of the supposed 42 rooms, including the 2 wine cellars, which alas were joined together to become an English teaching classroom. The other 4 must have been hidden or secret rooms which never came to light, at least not during my tour.

My predecessor saw the USIS operation in Alexandria, what we could and should be doing, almost exactly as I did, so it was a virtually seamless changeover. I inherited an American Cultural Center that was accepted as an integral part of the Alexandria cultural landscape, a position it held all the time I was there. We were often given more credit for what we were doing and its importance than I fear was deserved.

It was therefore with some consternation, I returned from a vacation abroad to learn the name had been changed by the Country PAO in Cairo to the Thomas Jefferson Center. I protested, but he demurred, saying it was the right move, for Jefferson was virtually a household name in Alexandria. This was utter nonsense and a little detective work brought out the truth. During a visit of a Virginia trade delegation, the Governor gave a fulsome address, praising all things Virginian, and singling out Jefferson as the greatest citizen of that great state, as Egyptian students were taught in school and Alexandrines of all walks well knew. The PAO had been present and swallowed it hook, line and sinker. Of course what had really happened was an aide of the Governor came to the Center saying the Governor was to give this speech and asked our Egyptian head librarian what should he say about Virginia. The two of them cooked up the Jefferson line and everything else. The name officially was doggedly kept, but to everybody it remained the American Cultural Center, and I disloyally went back to using old ACC stationery, typing in Thomas Jefferson in small letters below the logo.

To continue to digress, accustomed and familiar names are not easy to change, at least not in Alexandria. After 1952 the main street was renamed Al Hurriyya (freedom), but most still referred to it as King Fuad Street, and I met a handful who still called it Ancien rue de Rosette, its still earlier name.

Attitudes about the U.S. were largely the opposite of what I had encountered in Tunisia, for the Nasser Government had by then become stridently anti-American. However, the Alexandrines could not have been warmer, more favorably disposed towards the U.S. and more welcoming to the Center and me. They didn't like our Israeli policy and I encountered mixed views concerning our ties with Nasser's Arab enemies, but from Alexandrines there was almost none of those snide comments of the French educated left I had encountered in Tunisia. And yet, some of them had been educated in France and used French and English, as much as Arabic.

The optimistic, open Egypt I knew in 1956-57 had in less than 6 years become a police state, and while Nasser's personal popularity remained on the whole very high, the police were dreaded and despised and rightfully so, production was falling, nationalization was well underway and creating economy disasters, restrictions were growing and freedom was in short supply. We

found ourselves in an antagonistic political atmosphere and yet one in which we developed warm and close professional and personal relationships, with many friendships which have endured to this day. Despite official opposition and a foully anti-American media, I was eagerly welcomed almost everywhere, with the inevitable, come back and see us/me again anytime.

A vignette to indicate some of the anomalies. I had some donated books and decided to present them personally to one of Alexandria's two foremost boys' secondary schools. I was, as usual, well received and the presentation went without hitch, but in the following remarks there were some needless jabs at the U.S. I didn't like them and whispered the school's No. 2 that if they continued I would have to walk out. He immediately passed this on to the speaker, who abruptly stopped the flow and afterwards took me aside and apologized profusely, saying this was a public event and he had no choice. Surely, his explanation went on, you understood he wasn't speaking for himself or the school. Then we went out to watch the boys parade. They marched in to the rousing strains of "Stars and Stripes Forever" -- a record or tape probably given earlier by us -- to sing a song with words on how they would destroy the American imperialists and their Israeli lackeys. Afterwards, tea and cakes, more thanks for the books and protestations of the valuable services being so kindly brought by the center to the people of Alexandria. How do you find such situations? Frustrating, maddening, ridiculous, fun, stimulating, worthwhile? I say yes on all counts.

Q: What were the constraints put by the Egyptian government on your activities?

UNDELAND: A member of the secret police was assigned to in our library, from where he could note who came and especially who saw me. He became part of our landscape and when transferred to Upper Egypt, openly cried and told us he would always admire the center's openness and services it provided and the courteous way we dealt with people. Who else in Alexandria, he said, would trust people on nothing more than their own word to take out and return books. At least some of the staff were called in by the secret police to report on what the center and I were up to. Maybe we were better off that they did, for I'm sure the suspicions harbored must have borne very little if any resemblance to the reality. I went about my business ignoring this surveillance, and it really wasn't that much of a nuisance.

Some 3 or 4 times during my two years, police orders went out that university students and professors were not to the American or other foreign cultural centers or otherwise be in touch with them, their staffs and certainly not with their directors. My reaction was the same each time. I would call on the president of the University, with whom I had close relations, and ask "what's this all about?" He would first feign no knowledge, but when I pressed, would smile and say, "don't worry, it doesn't mean anything. Have our students stopped coming to your center?" I admitted they were still coming, and he would reply, "come back and see me again if the order really has any effect. Then we'll do something about it." Over coffee, he, Dr. Ali Shu'ayb, would add that both of us knew how silly it all was, but not to worry; it will be ignored and then forgotten.

When one of these orders came out, a professor with an American Ph.D. in agricultural economics phoned the head of the secret police in Alexandria, who later became Minister of Interior, and said that he just heard how those at the university must have no contacts with

Americans and he needed some advice. He went on, "I'm married to an American and we're getting ready to go to bed; what should I do?" A friend with a fine sense of humor and delightfully disrespectful of authority, he told me this typically Egyptian story with obvious relish.

On two occasions, carefully organized student protest marches came past the center which the usual anti-American banners, although we weren't the reason for the protest. I had gotten to know one of the university security officers, who was in the procession to assure everything remained peaceful, and I seized on the opportunity and joined him for a couple of blocks of friendly chit-chat, in which he good-naturedly reassured me we had no reason for alarm. He asked me to come to his office. I did so to learn the University wanted to send a few of their officers to the United States to study how we maintain security and order on our own campuses! They just couldn't believe students would remain in line without firm police controls in force. He had trouble with my saying nothing would make American universities blow up faster than a strong police presence. When later the University's top administrator came back from an IV grant and assured him this indeed was the case, the police officer's admiration for America and Americans soared, but he cautioned it would be very unrealistic to try anything like that in Egypt.

Another one. Alfred Lillienthal who wrote What Price Israel was to deliver a talk at Alexandria University, as usual condemning American support for Israel. The President, called me personally inviting me to attend. I knew what was coming and did not want to, saying that he well knew if the anti-U.S. stuff got too bad I would have to walk out. However, he insisted and I reluctantly agreed, though refusing to sit on the stage as he wanted. The show barely missed crossing my walk-out line and having me leave...

Q: It was this Lillienthal who so strongly opposed the creation of Israel, wasn't it?

UNDELAND: Indeed, it was...

Q: He was sort of the Arabs' favorite American Jew.

UNDELAND: Yes, but he wasn't and isn't a stupid or illogical person; however much you may or may not agree with him, he made his case forcefully and, if you accepted his premises, fairly effectively. I think it was a huge mistake from his standpoint to accept money and invitations so freely from Arabs, for by doing so he lost credibility and standing with audiences he most wanted to reach. Anyway, after his lecture but before the reception I skipped out, only to be called by Shu'ayb a couple of hours later insisting I see him immediately. Once again with him, he told me, "I wanted you there specifically, because you know how positively I really feel, how almost all of us at the University feel, about the United States, and I want you to put everything that was said here in that true context. We had no choice but to go on as we did, as you well know." I replied, "Yes, I will try to provide context and include our present conversation, but what you said is the record and you have to live with it." Then came the inevitable, "oh, you can explain it so your people will understand." He wasn't the only friendly Alexandrine, and Arab elsewhere for that matter, who tried this ploy on me. It was nice to be so accepted, but my answer to him and all others was always the same, that what is said cannot be just wished or

excused away. I had the feeling Shu'ayb and others who made this pitch almost automatically tuned out or otherwise stopped listening to my rejoinder. It wasn't what they wanted to hear, so they didn't.

Q: Go into this question of language and relationships a bit more.

UNDELAND: To operate effectively in Arab milieus, you have to be able to deal with both the public face, which is often ruled by prevailing policies and opinions/attitudes put out for public consumption, and the private sphere, in which persons much more express what they really feel, albeit taking into account a possible presence of flattery and ulterior motives. I don't intend this as an anti-Arab comment, for you can get your full share of it right here in Washington, but given cultural differences and the nature of Arabic, at least Arabic usage, and the role of language in Middle East politics, context and culture can be as important as the words themselves. Chances for misinterpreting are considerable. However, the problem in public was more than just posturing and rhetoric, for it was all too often accepted that you could say one thing to one audience and something quite different to another and keep the two entirely separate. A lot of it in Egypt went back to decent, reasonable people feeling forced to toe the line, i.e. to get along by mouthing the official extremism of Nasser's Egypt, where the U.S. as the main enemy had to be taken as a given. I was constantly intrigued with the ways and means of communication in this society of friendly personal relations and abysmal official ones. Its ins and outs have provided me and others, who have dedicated much, if not most, of their careers to the Arab World with never ceasing fascination and challenge on one hand and frustration on the other. However misguided the Alexandria University president's reasoning behind his desire to have me present, I think it meant something to be trusted and wanted. Maybe I'm tooting my own horn a tad too much, but everywhere I've been assigned, I've sought to develop understanding and culturally close relationships, so that I am welcomed, sometimes sought out. Part of it is knowing and caring where the other fellow comes from and taking the time to listen to him, but equally important is establishing and maintaining your own credentials, your own integrity and objectivity. And it helps if you know what you're talking about. This all lies at the heart of trying to bridge cultures and communicate, which after all is what USIS should be all about.

There is another kind of relationship I have sought in most places where I have been PAO, and that is a well placed police contact, to whom I could go personally when and if problems arose. Alexandria was certainly one of these posts. Shortly after arriving, I learned that in the past we had regularly presented a copy of the new World Almanac to a major in the *mukhabarat*, the secret police, but for some reason had stopped doing so; this gave me the opening I sought. I arranged a call on him with a current World Almanac in hand and was cordially greeted. I noticed on the wall behind his desk three framed pictures, the inevitable one of Nasser in the center, but flanked by two group photos, one of his graduating class from an Egypt police or military school and the other of an AID sponsored group at the Virginia Police Academy, which he had attended. He told me his two months there were a highlight of his life and he wanted that picture on the wall to remind him every day of this. Back to business, he assured me of his desire to help out if any problem arose; I was given a private phone number and was told to use it without hesitation day or night.

Well, a nasty problem did arise all too soon. A sad affair of a Fulbright professor's wife, who was

nightly sleeping around with university students, including the son of at least one minister and creating enough of a stir that the situation, as we learned later, got all the way up to the Presidency. Although first ordered by the Consul General not to go to my police contact -- I of course had told him about my visit to him -- the matter got so bad I finally had his OK and once there was greeted by, "Yes, I know very well you have a problem; so do we. Why has it taken you so long to come to me?" A long story, but the upshot was the Egyptian authorities quietly canceled her residence permit and courteously saw she was on the next boat out of Alexandria.

Q: You mention a Fulbright professor. Was the Fulbright program under your auspices?

UNDELAND: In Alexandria, very much so in some ways, certainly in the eyes of the University of Alexandria, where the professors were assigned. The Fulbright Commission in Cairo operated independently of USIS, though contacts were close and I think very good. To have a commission in Alexandria for the 2 or 3 Fulbright professors each year would have made no sense, so USIS stepped in to provide support, although basic decisions came from Cairo. We helped with housing and other administrative and logistics details and aided them in getting introduced and established at the University. As Fulbright professors anywhere, they were completely independent of us in all ways they wanted to be, and no conflicts arose between this and our being helpful. In fact, all of them, even the mathematician, so far as I recollect, appreciated what we did. Another factor was that the University looked on Fulbright as a U.S. Government program and saw us USIS in Alexandria as the official American contact on education matters in that city. They never understood or wanted to understand our use of separate or independent or private agencies. They felt it was OK if we wished to organize ourselves that way, but it was our affair and they didn't want to be bothered about it themselves. I think we helped in another way. Everyone knew if they were not well treated, I would be out at the University and had easy ways all the way to the very top.

Cairo handled all Egyptian students and professors going to the U.S. on Fulbright grants, with only minor inputs from us in Alexandria. In short, there were no Fulbright jurisdiction problems stemming from the USIS involvement, at least none while I was there.

Q: Why couldn't we take care of the wife case on our own? That is, why didn't the Fulbright Commission, you, or somebody else say either this has got to stop or your time is up.

UNDELAND: I personally would have moved earlier, in fact immediately, but the Consul General questioned whether we had the authority and right to interfere, and he insisted I do nothing. I reluctantly but loyally accepted this. It was only when he realized the situation had become intolerable and untenable he gave me the green light. The Cairo Fulbright Office knew about it, but as I recall did not want to get involved. I of course had earlier talked informally with both husband and wife, but that didn't get it stopped. We felt that to involve USG machinery would have been to start a long process with an uncertain outcome, and anyway it was a problem that couldn't wait. Could we have cut off the stipend? I don't think so, but in any case, the grant was to him, and he hadn't done anything wrong. Taking such action against him, even if we could have, would have bothered me. As played out, it was as much, if not more, an Egyptian than an American problem and needed an Egyptian solution. Very shortly, the Egyptian police would have had to act, and without us in the picture, they might well have done so in a rougher,

less pleasant and more precipitous way. I felt it was the best solution for a very messy affair. Later I had in some ways similar difficulties with Fulbright students in Damascus, but this one in Alexandria was the toughest "police" case I have become enmeshed in in my career.

Q: There's the story that I heard when I was in Saudi Arabia just a couple of years before about the Arab boycott of products of companies dealing with Israel, and for some reason IBM got into it because it had a small operation in Israel. So they put IBM on the prohibited list until the Egyptian military screamed bloody murder. It seemed their entire mobilization plans were based on IBM. Was that true and were there other things like it in Egypt?

UNDELAND: I had not heard this IBM story, but know of an analogous case. Ford had been on the boycott list for a long time, but this was a boycott of only civilian cars and trucks, for Arab armies, maybe including Egypt's, had Ford jeeps and other vehicles. With the boycott, you could always get an exception if there was compelling reason for doing so. Still, it was fairly thoroughly enforced -- no Ford cars, no Coca Cola, no Xerox -- although there could be ways around it, sometimes absurd ways. An Egyptian told me the story of American films with boycotted actors, directors and producers being shown in, of all places, Iraq. When questioned by the Egyptians on how this could be, the Iraqi blithely replied, "it's OK; you see we obtained these films from Switzerland, not the U.S." And so it went.

Q: Let's go back to relations with the U.S., how the Egyptians showed their displeasure and where they saw us fitting in.

UNDELAND: An American visitor once shook his head about this and used the adjective "wacky", as I remember the specific word. True, but the central fact was that all but personal relations were bad and getting consistently worse. What was wacky were the ways displeasure was manifested. Two examples. The acting Consul General organized a large garden reception for a visiting American delegation, but no Egyptians showed until finally one university professor arrived to deliver the message the party was being boycotted to protest the sale of Hawk missiles or some other major military equipment to the Israelis. This professor came to my office a couple of days later to assure me it was a one time affair and that we were to go ahead with all of our activities as usual, for the point had been made, and that was the end of it. Egyptians would again freely come to our homes, as they always had, which indeed is what happened.

At this time of burgeoning Soviet-Egyptian ties, all stops were pulled out for Khrushchev's visit to Alexandria, with exhibits, banners with slogans, crossed Egyptian and Soviet flags all over the city, newly constructed "friendship" arches, the works, and the centerpiece for the visit was to be a gala performance by the Bolshoi Ballet. By chance one of our sports presentations, a professional basketball team, headed by Red Auerbach and with Bill Sharman and Bob Cousy, Bob Pettit, and other NBA stars was in Egypt at the same time. They had not been slated to come to Alexandria, so I wasn't paying much attention to them, when out of the blue I got a call from the Egyptian Sports Federation saying we must meet urgently to plan their important game in Alexandria, you guessed it, on the very night of the Bolshoi performance. Leave all promotion to them, he said, but they needed American flags to put on display around the city. "How many do you have?" I didn't even have one at the cultural center, and there were only 2 or 3 at the

Consulate. The Egyptians were dismayed to learn that Cairo and Alexandria combined could only come up some half dozen, some going back so far they didn't have the full number of stars, but with our urgent request to the Sixth Fleet, and we ended up with 2 or 3 dozen. They were, as promised, conspicuously flown around the city along with hundreds of posters plastered on walls. The team arrived, the night came, and sports arena was jam-packed, with everybody who amounted to anything politically at the game, not the ballet -- the Governor, commanders of the Northern Military District and Egyptian Navy, ministers from Cairo and the rest of them. The welcoming statements said nice things about America and American sport, and expressed appreciation for our bringing the team to Egypt. We were never more publicly loved than that night in that place. Of course, the truth is we had provided the Egyptians a useful way to say in effect to the Soviets, "yes, we're friends, but don't take us for granted, for you don't have us in your pocket. There are also the Americans." Egyptians were and are masters at playing such games.

But back to political reality. The Time magazine correspondent in Cairo told me of his interview with Nasser, during which he attacked the United States relentlessly, up one side and down the other. At the end, the correspondent asked if there were not anything positive he would like to say about the United States or Egyptian-American relations or hopes for the future. Nasser paused for a minute and said no. He didn't openly express it, didn't need to, for we knew his political position required an enemy, and he had selected the U.S. for that role. He wasn't about to dilute this stance, for he obviously felt the hard and uncompromising line best served his political purposes.

Q: To sort out the disconnect between the popular feeling and nasty regime, how popular was he? He seemed to do so much to make him unpopular. Even with the U.S., there seems to have been at every level, but the official level, good relations.

UNDELAND: As I've said elsewhere, Nasser had widespread popularity, particularly among the poorer and less educated Egyptians, but nearly all took pride in Egypt's emergence as an important player on the world stage, and most felt that Egypt, as the Arab leader in so many fields, deserved to be the dominant Arab country and force. Nasser stood for this. Also, he had his unique contract with the Egyptian people, according to which there was the trade-off of unquestioning loyalty in return for being taken care of. Nonetheless, there was much discontent and criticism of the situation, the system, those around the President and the police. The economy was in shambles, as demonstrated and symbolized by the mountain of rotting, stinking garlic piled up along the shore of Lake Maryut in the southern part of the city. I have never seen anything like it, that 50 feet high and over 200 feet long pile from which shimmering fumes rose and a smell still overpowering more than a kilometer away. The explanation was simple. The newly nationalized onion and garlic marketing organization had failed to sell the crop for the first time in history. Much the same was true of cotton in world markets, although they got rid of a lot of it in barter deals with communist countries. But Nasser wasn't personally blamed.

What else? The war in the Yemen was not going well and was highly unpopular. The arbitrary arrests and brutal treatment in prison. The sequestrations and nationalizations. The growing corruption. It was a bad time, where the regime was all too much sustained by force and rhetoric, but it had its base and power in place and was not seriously threatened by the discontent. Again,

blame did not redound very much on Nasser, only on others.

The head of the *Al Ahram* office in Alexandria one day disappeared from the local scene. I later learned he had been arrested, but his friends knew neither for what nor where he was. Then, six months later he was back and let me know by just appearing at a small reception we were giving. He said nothing, but whatever had caused his arrest, it was over, and he was letting me know he was back in circulation. Our USIS administrative FSN was taken in a while after I left and tortured. He never knew why or what they wanted from him. It was a police state period, the darkest era in Egypt in modern times. How often I heard that Nasser must not have known what was going on in the prisons.

I mentioned the war in Yemen. Egyptians losses were quite high. At the outset, they brought back the dead for burial by their families, but soon stopped, for so many bodies were being returned that protests had broken out in the mosques and processions to the cemeteries. There was absolutely no mention of war casualties in the press, but these losses hit the regime where it counted much, at popular levels. Still, even this did not come down very much on Nasser's shoulders.

While our ears were filled with stories, complaints, bitterness, relatively little, as I've noted, was directed at Nasser personally. If his popularity suffered in some circles, and of course it did, this slide was not sufficient to be destabilizing. How often I heard he was getting bad advice from the people around him, for he wouldn't have permitted these things if only he knew about them. It was a spectacular position he had carved out for himself. He may have benefitted from the tendency in the Arab World not normally to blame the ruler, at least not until things get so bad that the people want to get rid of him. But what Nasser achieved personally and politically with the Egyptian people cannot be gainsaid or easily dismissed.

Q: It's been a major problem to interpret what people and leaders in the Arab World say, to put across accurately their words and intended meaning. They so often come across as extreme, little more than bombast. On the other hand, translations also seem often open to misinterpretation. Do you agree?

UNDELAND: You have put your finger on a problem area. Arabic spoken in public relies much on adjectives, rhythm, cadence, alliteration and this sort of thing, and as used often has an emotional impact far greater than Western languages do. It can seem inaccurate and even threatening, with emotion and oratory predominating over content and fact. Of course, it also can be dry and precise, but that is not the way it usually is in the hands of Arab politicians. One must be very careful in translating to make sure that what comes out is not more extreme, less temperate than in the original. Indeed, translation from Arabic is very much a cultural affair, not merely taking words from one language to another. A purely literal translation of a political speech in Arabic into, say, English or French is almost always off the mark. I have often wished Arabs would pay more attention to how their pronouncements, which are bound to be put into other languages, are going to come out, but this may not be very realistic on my part, for they have their own audiences to consider, which are paramount, usually rightly so. But, as I say, they and we have language problems that impede mutual understanding and dialogue.

Q: You're speaking about Arabic. How did you learn and use it?

UNDELAND: I studied it first in Egypt when I was a student, as I've said earlier, and of course picked up some of the colloquial as I went along, but I was far from the level where I could use it easily and very effectively. From the time I joined the Agency, I sought formal training, but did not get it until 1970, when I had 7 months at FSI in Beirut. I came out of that with a 3-3. I used it some in Jordan and Kuwait, but most of my dealings in those countries was in English. With me, it has always been a matter of choosing the best language for the two or more of us who are trying to communicate, and in those countries it was usually English. Looking ahead, I had a couple of months of brush up in 1979 before going to Syria, where I spoke Arabic all the time and got quite proficient. For me, the acid test of spoken Arabic ability lies in whether you can spend an afternoon or evening entirely in that language and not come out of it dead tired. If you can, you probably are communicating effectively. I used Arabic some, but increasingly less, in my last assignments, Riyadh, Cairo and Tunis, although it was important tool for me in all of these posts. I always found the reading easier than speaking, although with French, which I spoke all the time in Tunisia, it was just the other way round. I admit freely that for someone who has spent as much time in Arab lands as I have, my spoken Arabic should have gotten far better than it did. Of course, I am not really alone in that, for it doesn't take too many fingers on too many hands to count up all the FSOs, State and USIS, who learned Arabic as adults and can handle it well enough to be at ease and reliable in important conversations, let alone conduct negotiations in it. Still, it is a valuable tool and important culturally. By my reading, nearly all the most effective PAOs in Arab World posts have had Arabic training, however competent they are in speaking it and however much they use it.

Q: President Kennedy was assassinated when you were in Alexandria. I happened to have been in communist Yugoslavia, and the whole country went into mourning. It was a rather remarkable occurrence in many countries. But in Nasser's Egypt with our strained relations, what was the reaction there?

UNDELAND: It was immense; I have never experienced anything like it. We had neither mast nor flag at the center, but at the insistence of our Egyptian friends managed to rig up the former and get one of the latter from the consulate, albeit with not enough stars. It gave me in personally terms perhaps the most taxing week in my career, for I had to receive an unending stream of visitors, sometimes singly, sometimes in small groups of 2 to 5. At least half them I had never set eyes on before. They would come into my office and solemnly express their condolences. I would respond in kind and offer them a cup of coffee, which they would refuse. It was all very ritualistic. Then they would sit down, and we would look at each other for about 15 minutes, rarely saying anything.

Q: Oh God, how awful.

UNDELAND: This went on for a week. I would come home these days so absolutely drained and so tired I could barely eat. Out at the University, students in a number of classes asked, indeed demanded, there be several minutes of silence out of respect for Kennedy. The teachers readily acquiesced in every case, according to what I heard. The Egyptian government stated it was going to issue a Kennedy commemorative stamp. Even the government controlled media

were making a huge affair of it. All of a sudden a couple of days later, this stopped, and Kennedy was from that point totally ignored. The university police were mobilized to enforce it on campus. The conclusion on everyone's lips was the Presidency woke up to the fact that, popular as he was, there had never been an outpouring of such fervor for Nasser, and they found it embarrassing. Whatever else, it showed how touchy the authorities were; the fact it concerned an American undoubtedly increased their sensitivity.

If the official side was turned off, I kept hearing individual Egyptians, particularly young people, talk fondly about Kennedy the whole time I was in Alexandria. They felt a personal association with him, almost a kind of mystic bonding. He and the United States under him represented a view of the future that gripped them and fit in with their own aspirations, however little they really knew about him and what he had done and stood for. Its extent and depth was amazing. If you tried to put it in terms of what Kennedy had done for Egypt, Egyptian-American relations, the Arabs in general, there was not a whole lot of basis for it, although Kennedy had initially put considerable effort into trying to work out an accommodation with Nasser. That you could not point to specifics, however, did not make it any less real; Kennedy represented something very different and appealing. Somehow, their looking to Kennedy and Nasser at the same time did not seem to cause intellectual or psychological contradictions or anomalies.

Q: In Yugoslavia, where we had good relations, though not really that close, I was astounded because, frankly, most of us in the Foreign Service there saw Kennedy in mixed ways. Even down in the peasant villages, you could buy little plastic pictures of Kennedy. Of course, of Tito as well. Kennedy was a phenomenon, and I am interested to hear about Egypt, where we had bad relations, and yet he did touch them. He was a universal star for that generation.

UNDELAND: The Kennedy impact was perhaps greatest abroad, but there is something else you also have to take into consideration. When you talk about bad relations with Egypt, that certainly was true, but you also have got to remember we had much going for us outside of the political and foreign policy sphere. Ties with the U.S. were long standing and ran deep, even though you wouldn't know it if you looked only to the media and official statements. My point is not to overplay the "bad relations" card by extending it to everything. The American University at Cairo, a major educational institution, goes back to about 1920. Perhaps even more influential was the American Girls School in Cairo, which educated several generations of women from Egypt's elite. There were important missionary schools in Mansoura and in Upper Egypt. In addition to the schools, American missionaries were at the forefront in bringing medicine and particularly nursing to Egypt. One of the strangest American presences was NAMRU, the Naval Area Medical Research Unit, located in the heart of old Cairo amidst Egyptian military institutions. Spic-and-span NAMRU, with its gleaming white buildings and green lawns, had since the 1940s conducted research on diseases plaguing the area, bilharzia and others, and was always welcomed by the Egyptians, whatever the political climate or the state of our relations.

Hundreds, indeed thousands, of Egypt's best and brightest had studied in the United States. Leaving Mideast policy, non-alignment and Nasser's whipping boy considerations apart, I met few Egyptians who were not pretty solidly pro-American. A couple of years after the Second World War, the Egyptian Government, at its own expense, sent more than 200 of the best students on one ship to the U.S. to study in American universities. This was the beginning.

Afterwards, thousands of others followed them, mostly on U.S. Government scholarships granted by AID and Fulbright. They returned with their M.A.s and Ph.D.s to become professors, technocrats and later ministers, university leaders and top doctors, engineers and so forth. Other exchange programs, mostly administered by USIS, AMIDEAST, the Ford Foundation and the Fulbright Office provided professional introductions to the United States. To look ahead, I am convinced the major switch away from Nasser's view of the world to the dramatically different one of Sadat could not have occurred, if Sadat had not been able to bring in and rely on these talented Egyptians, who were profoundly influenced by their American experiences.

Q: What was the impact of the ties of Egypt to the Soviet Union, through exchange programs, etc.? How did we observe them, were we keen to counter them, and if so, how?

UNDELAND: The Soviets understandably gave Egypt very high priority and targeted it for major efforts on a variety of fronts, in order to bolster their standing and influence. Equipping and training the Egyptian army and funding and constructing the Aswan Dam were the two largest, most dramatic efforts, but there was much else as well. They left few stones unturned and seemed to have endless money to finance pretty much whatever they wanted to do. This subject has many ins and outs, but I'll restrict myself to things of more or less direct concern to USIS.

I have mentioned the Bolshoi Ballet fiasco in Alexandria; it was just one of many cultural and sports presentations, which struck some responsive chords among Egyptians, but less than one might have expected, at least less among the people I knew. There was criticism the Soviets rarely sent their best, a charge also sometimes leveled at our far more modest efforts, but we came under less fire, at least partly because Egyptians liked us so much better than the Russians. They felt the Russians looked down on them and assumed that they, the Egyptians, wouldn't know the difference and would, therefore, be content with the second rate. Exceptions undoubtedly existed, but the Russians never really understood the Egyptian psyche and mind, and they all too often had an arrogance that riled and offended.

Exchanges were very big, groups and delegations going both ways and individual visitors to Moscow. They had their version of our IV program and on a huge scale. Groups from the ruling party and government, labor unions, professional societies, artists and people from the Egyptian film world, journalists and on and on. They put on Egyptian art shows and film weeks in Soviet cities. But it did not work out very well for them. Many Egyptians I knew returned from such activities in the Soviet Union under-impressed, if not turned off. In addition, the Soviets heavily subsidized Egyptian tourist groups. A neural surgeon, whom I helped get a fellowship at the Harvard Medical School, went to the Soviet Union out of curiosity on one of these tourist tours. I saw him shortly after he got back and was caught up short when he opened with a surprising, "you Americans are just plain stupid." He went on, "you're trying to turn us against the communists by sending us off to the United States, which is OK, but if you really wanted to influence us, you should ship as many as you can off to Russia. I was astounded to find that in comparison with the Soviet Union, Egypt, poor backward Egypt, is miles ahead. Their hotels aren't any good. The restaurants are awful. You can't buy anything. The people are all badly clothed, downtrodden and unhappy. It's a terrible place. You should show as many of us as you can how bad it is."

The Soviets were educating thousands in Soviet institutions, many coming back with advanced degrees. But the Egyptians so looked down on these credentials, they would not accept Soviet Ph.D.s as qualifying the holders for teaching assignments in Egyptian universities. They could only go to higher institutes, which were a notch down in the Egyptian education hierarchy. The reason given was that Western doctorates were the best, followed by ones acquired in Egypt, with those from the Soviet Union and Eastern Europe held as much inferior, not up to an acceptable level. Perhaps a bit of prejudice here, but the Egyptians were convinced. One of them put it, "who ever heard of a foreign student not getting his degree from a Soviet university, however bad his record?" I must admit I personally did not know of one case. The Soviet Embassy worked hard to try and get this university restriction lifted, but by the time I left had made no headway.

I got accustomed to Alexandrines' readiness to denigrate the Soviets, but still was caught off base on a couple of occasions. An architect told me, "of course the Israeli army is much better than ours; they have American equipment, we have only Soviet stuff." A professor with a Ph.D. from the U.K. said to me he had never believed the Soviets were in fact building the high dam, didn't believe them capable of it...

Q: This is the Aswan high dam?

UNDELAND: Yes. He said, "I'm dumbfounded. I've just been to Aswan and seen with my own eyes the Russians are actually doing it. I had thought it was just propaganda put out by our government." This says as much about how Egyptians viewed the word of their own government and their media, as it shows he they felt about the Russians.

The Soviets didn't help their case, by being so distant and often heavy handed. In Alexandria, they all lived in a compound with a high wall around it. They rarely emerged, except en masse, whether they were going to work, to shop, to the beach or wherever. You never came across a Russian by himself in the *souks*, the traditional market areas, or at the museum, the antiquities sites, anywhere, but you could run into 50 of them, although that didn't happen often. The gregarious Egyptians enjoyed making fun of them and their ways, and they delighted in regaling us with belittling and deriding incidents and examples. They were also criticized for never spending any money in the local economy; merchants were openly contemptuous of them. In sum, there was a strong anti-Russian feeling nearly everywhere. Egyptians may not have liked our Mideast policy, but they liked us and our openness; with the Soviets, their Middle East policy was OK, but there wasn't one thing about them or their society or outlook that struck responsive chords. I kept hearing stories and examples about the unsympathetic ways of Soviet advisers, how they only gave orders and expected to be obeyed, how they not only had no knowledge of or interest in Egyptian society and culture, but how they brazenly ignored it or were downright contemptuous of it. The Egyptian surgeon was right; we Americans looked very good by comparison, and in the long run, such positive attitudes were, I believe, significant, whether they directly affected prevailing political attitudes and actions or not.

Q: How about our Embassy, did you have any feel about how the Embassy operated or its personnel or anything like that?

UNDELAND: I was in Alexandria, where USIS and the Consulate General had reasonably good access to and relations with government authorities on the civilian side and were considered an integral part of Alexandria society. But it must be remembered, major decisions and real power were concentrated in Cairo, so our government dealings were on only the provincial, executing rather than policy forming, level.

I personally had relatively little contact with the Embassy in Cairo, although as appropriate I saw officers on my regular visits, when they were interested to hear what was going on and what Alexandrines were saying and thinking. On the other hand, when they came to Alexandria, they rarely visited the center or were interested in our activities. The one exception was the Ambassador, an extraordinary person, who almost always came by and often stayed for relatively long periods of time...

Q: John Badeau.

UNDELAND: Yes. No other ambassador, and I've known a lot of good ones, has had the contacts and knowledge of the local scene that Badeau did or has put this information and understanding to better use. He even was able to develop close personal relations with Nasser. It didn't make our government-to-government relations improve, for that was beyond the ability of any diplomat to change. Still, I am convinced Badeau slowed down the pace of their deterioration, for Nasser liked him and apparently found it difficult to cross swords with him. The discussions of these two, in Arabic, were larded with stories and bits of folklore on both sides to illustrate their points. As I said, the Egyptian president found it hard to take him on in these sessions. The above came to me mostly from Egyptians I met, but also from Badeau's recounting of these meetings.

Q: Badeau had been what?

UNDELAND: First a professor at the American University at Cairo and then its president, and perhaps the best one it has ever had. He had been at AUC for more than ten years and had made it his business to know Egypt well. His visits to Alexandria were a joy, for he was outspoken, sharing his views with us candidly. He admitted to us he was frustrated by his inability to improve relations, and ruefully concluded it was a period to get through with as little damage as possible, preserving our presence and making sure we did not provide ammunition for making things worse. He urged us to do all we could to expand and strengthen our contacts, which he felt would pay off in the long run. This was music to my ears.

I recall him using the example of AUC to show the things we had going for us. Some education and political authorities wanted to take it over and turn it into another campus of the University of Cairo. But this never got very far, because there were so many defenders who quietly took up the cudgels, graduates and students, and perhaps most of all, the prominent families from which they came. Even Nasser had at least one of his sons educated there -- as did later Sadat, and Mubarak's wife is a AUC graduate, not that these last two fit into the story at this time. So, AUC continued to play a significant educational and American role in Egypt, in many way a remarkably independent one, but perhaps equally important, it was a symbol that all was not lost

to Egypt's statism, which was becoming increasingly onerous and repressive. Badeau's ties to AUC increased his standing among many Egyptians.

Q: Nasser had the ability to get under the skin of John Foster Dulles and Lyndon Johnson. Arabic rhetoric as reported drove official Americans in Washington right up the wall. At the time, did you think some of the Americans in the Mission were acting as a cushion or somehow softened the reactions of American presidents and others? Was the Embassy trying to keep the U.S. from overreacting, or even from knowing what the situation really was?

UNDELAND: From the reporting I saw out of Cairo, I found no sugar coating or cushioning. The Embassy was trying to report back what was happening in Egypt and to explain it, not to excuse it or apologize for it, but accurately to reflect not only the content, but also the context and to provide interpretation. That is the diplomat's reporting job; it is why they must develop particular knowledge of countries, peoples and leaders. From what I saw, the Embassy of John Badeau did that extremely well, with candor and understanding. I do not recall seeing any messages that I looked on as toadying to Egyptian sensitivities or trying to explain away some of the horrible stuff being said and the junk being written in the completely controlled media. I felt the Embassy's reporting generally did a better job of providing background and context than that done by correspondents, whose stuff tended to be less subtle and perceptive.

I say this from a branch post, where I wrote some not purely USIS reports, and at one point was told to stop doing it by the PAO in Cairo, who said my task was to run the center and its activities, develop and strengthen contacts and conduct outside programs and that my reporting should not go beyond these parochial areas. Consulate reporting, as I recall it, was mainly on the local events and not the big picture your question supposes. I guess someone who had been in the Embassy would have a better handle on this than I.

Attitudes of others have always intrigued me, so I little took to heart the Cairo PAO's dicta and did a lot of informal reporting on what I was picking up, putting some in memos, but mostly transmitting it orally. It was what and the way the Con-Gen Harlan Clark wanted it, and I was, after all, part of that team.

Q: You left Saudi Arabia in 1985 and went to Cairo, where you served until 1988.

UNDELAND: That's right.

Q: Could you talk about how that job came about?

UNDELAND: While early on in Saudi Arabia I started looking ahead for another PAOship in the area, which wasn't very complicated for there were only two in NEA, leaving the subcontinent aside, which would have been for me a step up -- Israel and Egypt. Egypt seemed logical and appealed, given my prior experiences there, my interests and, I felt, my knowledge of Egypt and the Arab world in general. I thought I had done well enough in Damascus, Riyadh and elsewhere to deserve a crack at being PAO in Cairo. So I sounded out this possibility with NEA

and Ambassador Nick Veliotis, whom I had known and liked from our time together in NEA at State in the late 70's. From both, I got generally encouraging but non-committal responses and then out of the blue was informed I was being transferred to Cairo after only 21 months of my 36 month assignment in Saudi Arabia. Cairo PAO Ed Penny was unexpectedly departing to take on the job of NEA Area Director.

Q: My standard question. What was the situation in Egypt when you were there?

UNDELAND: In broad terms, it was a very positive one. The ties with the United States were close and friendly. They had weathered the Nasser years, thrived during Sadat's tenure and continued to be excellent under Mubarak. They had a solid underpinning going back to the early part of this century, indeed earlier. I don't mean to get off into too much history, much as I personally like to do just that, but I might mention the early American travelers and the Civil War officers, both Southerners and Northerners, who trained the Khedive's army in the late 1860s.

We had a huge economic aid program, the reward for signing the Camp David agreements and entering into peace with Israel, the "peace dividend" as it was known. There was equally large military assistance, helping modernize the Egyptian army, replacing the outmoded and deteriorated Soviet equipment and changing the military planning and tactics to be more like ours. We saw Egypt's well being and the projection of Egyptian influence and power as serving the peace process and our other Mideast policies, which aimed at strengthening moderation and stability throughout the area.

We had working for us long-standing cultural relations reinforced by the large number of Egyptians, who had been educated in the United States or otherwise had spent time there. The American presence in Egypt -- the American University at Cairo, the American Girls College, a host of medical and other educational activities of missionaries -- are part of that older record, as is the American involvement in Egyptology, most notably Chicago House in Luxor which goes back to the late 1920s.

Q: What is the Chicago House?

UNDELAND: Part of the Chicago University's Oriental Institute, it was founded by that eminent early American Egyptologists, James Breasted. Since its inception, it has recorded inscriptions and carvings, mainly in Luxor Temple, is a task made all the more urgent by rapid deterioration of the monuments. A main part of the problem comes from the rise in the water table, bringing ground salt up into the porous stone, and from the fact the flood no longer scours out the river bed every year. Many carvings had flaked away and disappeared between the time I saw them in the 1950s and when I was there thirty years later.

Q: Is this because of the Aswan high dam?

UNDELAND: That's a big part of it. So also is increased permanent irrigation. Some of it would be happening High Dam or no, although without the additional year round water, the problem would be less acute.

Q: You were running I assume a very large program. How did you operate in Egypt and what were you after?

UNDELAND: Those are two questions. Let's take the second one first. One of our aims in Egypt, in the broadest sense, was to help deepen the already close relationships between the two countries on various levels -- government-to-government, institution-to-institution, expert or specialist to counterparts. Another was to promote Egypt as a force for moderation and reason and to expand and deepen the Arab-Israeli peace process. Egypt was our vital ally in the Arab World, whose views and policies on so many issues closely paralleled ours. We also wanted to make sure Egyptians understood as fully as possible our policies and actions and supported them, again as fully as possible, on both government and popular levels. And lastly, we wanted to strengthen still further the bases of the historic interaction between our two countries. There were other aims, on a smaller scale, like combating narcotics traffic and usage, which was still important enough to be one of the 5 or 6 specific objectives listed in the USIS country plan. Obviously USIS was only one small part of the picture, but we filled niches that otherwise wouldn't have been covered.

Cairo was far and away the biggest USIS operation in the Arab World, one which used virtually every tool USIA/USIS had to offer. We had the centers in Cairo and Alexandria, the whole range of exchange programs -- where we'd had an allocation of some 17 IV grants in Syria, we had over 80 in Egypt -- the full panoply of press and other media operations, English teaching, book translations, publicizing AID activities, exhibits, cultural presentations and, during my last two years, an ambassador, Frank Wisner, who could be viewed as virtually a USIS program in himself. In addition to USIS in the narrow sense, there was a large Fulbright office, plus that of AMIDEAST and the American Research Center, all of which got major USIA funding and with which we were deeply involved. And we were in close touch with the Ford Foundation and other such organizations, the Egyptian-American Chamber of Commerce, the Library of Congress regional office and I'm probably not recalling others. Although not anything that appeared in our country plan, dealing with and supporting the never ending stream of official and important non-official visitors to Egypt probably took more of our time and resources than any other single activity. The sizable foreign correspondent community also demanded a good deal of our care and attention. In sum, we had a full plate.

We were 8 substantive officers in Cairo, with an FSN staff numbering over 60, plus another officer and about 20 FSNs in Alexandria. In every previous post I had run, there were at most one or two senior FSNs, who provided the cement, much of the understanding and analysis, the continuity. But in Cairo we had 10 such employees, the most impressive FSN staff I have encountered anywhere. I found myself more of a manager and less a doer than anywhere else I had been, but I did not succumb completely to the bureaucracy. It was challenging, stimulating, good for the ego, and all that, satisfying, yes, but still I must admit less fun than Damascus and Amman had been.

That is more an answer of what we were than how we operated. In now looking back, I don't feel there was that much basic difference between the nature of activities in Cairo and say in Damascus or Amman, but the scale was so different that it made the Egypt operation distinct.

Cairo was of far more interest to Washington than the other places I had been, so we did more reporting, including a great deal on what was appearing and being carried by the media. USIA's and State's appetite for media reaction was insatiable, more than I felt made sense from government run radio and television and a largely controlled press, at least controlled on all matters the Egyptian authorities considered significant.

In my other PAO assignments, I'd been able to keep all of the essential points of the operation in my head, but the size and scope of Cairo made that clearly impossible. I don't think anyone could have done it. Delegation was the only answer. I always felt I delegated quite easily, but I have had my price and that is I be kept informed, so that I am not caught out by surprises. With a couple of Americans on the staff, it was a price which seemed too high and then I had to insist on being more personally involved. I know I've earned something of a reputation of having my finger too much in the pie, but not by those who have accepted and abided by my rule. I like to give staff a very free hand; in Cairo, I felt my managerial style worked quite well, with, as I say, those two exceptions.

I have referred to the many top flight Egyptian employees. One thing any American officer has to do in coming to a new post is win the confidence of the senior FSN staff. You always have a certain amount of institutional loyalty, but if you really want them to be on your side and totally candid with you, you've got to earn their trust and respect. It doesn't come automatically, and in a post with 10 rather than one or two, it was both more important and more difficult. Unfortunately, I have known and know all too many USIS officers, including some senior ones, who have not accepted this as a fact of life or at least have not given it the weight it deserves. With me, with my pro-FSN feelings from the outset of my career, it was among my first orders of business. In addition to being essential, it went far in making the job agreeable. I have felt what I got from the FSNs has been absolutely central to the way I have operated. The American secretary had such poisonous relations with our Egyptian staff that, when I was unable to get her transferred, I went to the extreme of getting rid of her by eliminating the position, filling it with a local hire.

Q: Yes. Now let's go into some of the things. The Egyptian press is always quoted, particularly Al Ahram. Did you find that the Egyptian press, despite the fact that Egypt technically was isolated in the Arab world, in a leadership position, i.e., papers and magazines Arabs around the world would read? And also, could you talk about dealing with the press?

UNDELAND: The Egyptian press, despite Egypt's official isolation, was widely read outside Egypt and often cited by media in other Arab countries. As you indicate, Al Ahram had a special prestige because of its long history and also because of its willingness to stray occasionally a little bit further from the official line than the other papers. At the same time, however, it was the preferred vehicle of the Government for indirect policy pronouncements, trial balloons and "unofficial" criticisms. The fact it had these two seemingly contradictory roles did not bother Egyptians; they easily knew what was up, as did, I imagine, Arabs elsewhere. The relationship between all but the fringe of the Egyptian print media and the Government was known and accepted, pretty much by all. At least, I heard relatively little direct criticism of the press on this count, although there was widespread unwillingness by more astute readers to accept at face

value what it said of a policy/political nature, unless this happened to fit in with the person's own views. It wasn't really as complicated or confused as it might seem, for editors and journalists knew how far they could go and didn't often seriously test these limits, though occasionally they pressed gently at the outer edges. While I was there, I felt there was perhaps an oh-so-slight increase in the independence of the press, but nothing that would bring it significantly closer to what you'd find in the United States, England and other Western countries, nor would you find it in Israel. This tenor of the Egyptian press fit in quite well with Egyptian society, modern history and thinking.

We found the information USIS put out -- texts, policy statements, White House and State Department briefings and occasionally those of Defense, some stuff from Congress -- was generally appreciated by editors and newsmen, but was almost never the source for what was carried, as the media got what was sufficient for their purposes through commercial services and didn't want to be concerned about possible charges of promoting the policies or aims of another government. They also got it earlier than we could deliver it. Our materials were sometimes used indirectly by people writing columns, editorials, features, special reports and the like. Perhaps, the thing we put out which got most attention was the "Middle East Reporting in the American Media" item, which occasionally was cited and even excerpted and run, alas, in spite of our clearly stated prohibition. We looked the other way, but anyway how could we have proven it came from us?

During my tour, we were just beginning to get into on-line computer searches, and some feature writers used them to get information for articles on American universities or American circuses, to dredge up two cases I recall. We were gradually becoming more a source for background and information, which I found healthy. I should add that we got into WORLDNET during my tenure, which was another huge source of information, though with a couple of exceptions we didn't get around to using it effectively. It was new and we felt overwhelmed by the quantity dumped in our laps every day.

Q: You mentioned WORLDNET. What is it?

UNDELAND: WORLDNET was the brain child and commanding interest of Director Wick. It provided USIS posts via satellite a tremendous body of televised programming to be used in support of our aims and programs. It was a new post activity, requiring us to establish a separate section with considerable technical and programming expertise from American officers and FSNs alike. It was the biggest innovation that had come to the Agency in a long time. Although derided by many officers and having some inherent shortcomings, Wick basically was right to push it, and his detractors were wrong. The materials which came over were C-span and special programs in a number of fields, TV programming the Agency acquired without cost or for very little. As I remember, we were getting nearly 18 hours a day which, as I've said, was more than we could handle, let alone intelligently use.

Wick's real interest, however, centered on a small portion of the overall WORLDNET transmissions, i.e., the interactives, which brought together knowledgeable Americans and foreigners for two way audio and one way video dialogue. The dialogue idea, however, was usually better than the reality, for rarely did it have true give and take between equals or at least

persons dealing with each other on more or less the same level. Instead, it was the American expert answering questions asked by the foreigner. In some instances, this was fine, indeed ideal, but in most cases it was not. Anyhow, I didn't and don't think Wick should be blamed. He was ahead of his time in promoting interactives, in fact in putting his full weight behind them.

Wick himself tended to oversell WORLDNET but it was his TV minions, most blatantly the head the TV service, who continually made misleading and downright false claims on all WORLDNET was supposedly achieving, the influence it was having on public opinion, the audiences it was reaching. Myself and many others in the field were thoroughly put off by this hype and exaggeration.

Q: Egypt was a friendly country, relying heavily on our help. Why were they hesitant to accept our TV materials?

UNDELAND: For a number of reasons. We can begin with the fact that Egypt's closeness to the U.S. made Egyptians feel a particular need to assert their independence. Pride in their national identity came into play, as a matter of policy as well as their personal feelings. They did not want to be or appear to be so beholden to us that they were taken to be the lackeys their opponents and detractors were ever ready to accuse them of being. They also felt they had to be constantly on their guard to see that we didn't slip in anything potentially embarrassing, as they thought we might try to do. They wanted to be sure they were not dragged into issues, which concerned us but not them, and they were afraid we were clever enough to do get things by them, if they were not ever vigilant.

I must add they saw it far easier to offer explanations and excuses and regrets to us, rather than have to answer to most others, probably all others on the domestic scene. We were seen as a softer touch if you will.

We were deeply involved in nearly every economic development in the country, and the leaders were particularly touchy to charges they themselves were doing almost nothing; that it was all coming from the Americans. By the way, we were involved in so much it could at times be seen that way. So, they took credit for nearly every positive development, often without mentioning our role, giving credit to Mubarak and his government and ignoring us and all others. It was one of the arguments, illogical as it may seem to outsiders, used with me by people in television and the Information Ministry to explain their non use of our materials. They felt that avoiding accusations of being too pro-American or too beholden to us was as much in our interest as in theirs. It was a convenient excuse for them, but not wholly self serving, for, indeed, Egyptian pride and sense of *bien-etre* was important to us.

Another element, a somewhat related one, was that Egyptians have usually been highly skeptical of their rulers -- Nasser's genius was that he largely overcame, in popular terms, this attitude -- and to counter this, ruling circles went to great extremes to extol only their virtues and accomplishments. The regime of Mubarak was no different in this regard than that of his predecessors, Sadat and Nasser. How many times I heard the line, "you support Mubarak; why aren't you happy he gets the credit and disarms his detractors?"

There was, as always, the Israel factor. There was the "cold peace", which most Egyptians supported and for which they appreciated the American role, but years of looking on the U.S. as the backer of Israel had taken its toll with public opinion. The ins and outs of this subject are long and complex, but the result was that most Egyptians, however much they appreciated us for our culture, ways, ideas, policies and products, they were still ready to believe the worst about our Mideast policies and our relations with Israel. It was the old argument of why they could not get publicly too close to us. That also may seem far fetched to us, but it wasn't to Egyptians of that day.

Then there was the refrain that if they took USIS materials, they would be under pressure also to take them from the Soviets, which ended with the refrain, "you wouldn't want us to have to do that, would you?" This was true not just of Egypt, for I encountered variations of the same theme in Jordan, Kuwait, Saudi Arabia and Tunisia, all friends of the U.S.

They did use some of our cultural, education, sports and other non "freight" items, but even here rarely citing the source and almost always incorporating them or portions of them into local programs with an Egyptian format and style.

Q: I can think of two groups you'd want to try to reach, but with whom you'd probably have difficulties. One was the Egyptian military, and the other the Islamic fundamentalists. How did you deal with them?

UNDELAND: You have put your finger on two important groups, though I hate the word "fundamentalist" as it comes across, for what you are talking about is revolutionary, political Islam, and concerns a small, very small, part of the Islamic community. The overwhelming majority of those devout Muslims, who have conservative, traditional views, fundamental views if you will, are peaceable, decent citizens, who abhor violence and the violent image the phrase Muslim fundamentalist conjures up. But back to your question.

Concerning the military, the Egyptians permitted us almost no relations or contacts, except through a liaison officer, who was not at all forthcoming in the approaches I made to him. We did, at the army's request, provide him a batch of each issue of our Arabic magazine, *Al Majal*, and we indirectly came to know these were spread around among the units, but we never had any feed-back. We sent the Egyptian Army spokesman on a group IV project, which was political and civilian in nature. We wanted to send another on a political science project, but at the last minute the military authorities did not let him go. There were a few who used the library of the Center, but only in their private capacity. We didn't push very hard to open the door, but were ready to latch onto opportunities as they arose. Few did. Those in the offices of Military Attaché and Military Assistance Program had far more contact, but even for them, it was hardly an open door.

I remember talking with a retired senior general -- he had commanded Egyptian forces in the Yemen during the war there -- about this lack of willingness to have contact, and he explained the Egyptian military had a history of aversion to foreigners, which had been heightened by their unpleasant ties with the Soviets, who had tried to put the Egyptians under their thumb, to indoctrinate them, but it also went back to the days of the British, where it was believed the

British wanted information and control to make sure the Egyptians acted in accordance with British interests. Then there was Israel. He said it was commonly believed that anything we learned about the Egyptian military would be passed on to the Israelis.

On the religion question, almost everyone in the religious community was open to us. Those who supported the government treated us as friends and furthermore, wanted to "educate" us as to the "real" Islam, which was tolerant, decent, responsible and far removed from violence and terrorism. "Real" is in quotes for they -- the Grand Mufti, leadership at Al Azhar and others -- saw with dismay Americans equating Islam with terrorism, the religion with bombings and assassinations. They wanted to set us straight. I did not spend as much time as I would have liked at Al Azhar, but went there every other month or so to give my declining Arabic a workout and to keep up these contacts. I was always given the warmest of welcomes by the rector and other senior people. They would have liked us to do much more programming with them than we did or could have and, if that were not possible, at least to see us more often.

Then there were the devout Muslims who were secularists at the same time. My favorite among them was Farraq Fouda, who fearlessly took on the Muslim Brotherhood and others of like mind. Some years after I left Egypt, I was saddened to hear he had been assassinated by Muslim extremists. A wonderful person, I came away from every session with him enthused and stimulated. There were a number of medical doctors, professors, journalists and writers who fit into this category and whom I found among the most interesting Egyptians I came to know.

As to the extremists, the practitioners and supporters of a radical Islam aimed at replacing the existing government and many institutions, I encountered a few of them from time to time, almost always chance meetings, but otherwise kept my distance. Many of them eagerly welcomed contacts with Americans, particularly Embassy officers, for in their eyes, these meetings constituted a recognition and gave them an importance and legitimacy they so eagerly sought. However, substantively we shared almost no common ground with what they stood for and wanted. The Egypt and world of their agenda was far distant from our aims, and we had no real way of influencing them and their thinking. I saw no reason why we should let them use us for their own ends, which were so antipathetic to our own. I continually made this case at the Embassy, but without much effect, for political officers continued to seek them out far too much and too often and then write up lengthy reporting cables, which were well enough done, but many of which I felt added little to what we already knew. At the Embassy, I found all too little concern for the impressions our actions made. It was the silly cable that had to get out in that cable driven environment, and the hell with anything else.

Q: You were making the point that we were just enhancing the prestige of religious leaders, particularly the more minor ones who were opposed to what we want, basically those opposed to Western culture.

UNDELAND: That's a fair statement, so long as it's understood these are religious leaders with radical political platforms aimed against the Egyptian Government and the Middle East we wanted to see evolve. I do not mean to say we should never have had quiet contacts with them, so we knew what was going on, but these should have been discreet and not more frequent than was needed for information purposes. My point is that we overdid it, and, in so doing, we didn't

do ourselves any good. We raised unnecessary doubts with the very Egyptians who meant the most to us, both inside and outside the government.

Q: Well, here was a country where we were, as almost a payoff for peace, giving a lot of money to Egypt. You're an old Middle East hand. What was your impression of the impact and the value of our aid program there?

UNDELAND: It was immense. As I noted a short while back, it was so great and pervasive it was embarrassing to the Egyptian Government to have to admit publicly its size and scope, for they felt it would be taken to mean the Americans were doing it all and the Egyptians authorities were doing almost nothing on their own.

Let me cite a few examples of where our economic assistance made a huge difference:

We brought a modern phone system to Cairo to replace a hopelessly inadequate and antiquated one, which indeed was so bad that Cairo was in reality almost phoneless. You can imagine what that meant to a capital staggering to keep going. A whole underclass of couriers had developed, thousands of them on bicycles and foot, who carried messages from one office to another, from one house to another. The AID installed microwave system was revolutionary in that it never had been tried anywhere else on such a scale. It worked beautifully, of course putting the couriers out of work, but that is another story. This happened shortly before my arrival.

AID also designed and put in a new clean water system for Cairo, drawing the water from the Nile, an immense undertaking to meet the needs of a city of over 15 million persons. It was completed during my time with much hoopla for the Government and barest passing mention of our role. A project of equal magnitude was a complete redoing of the sewage system, to replace one designed for a city of some one million or less in 1908. The British and I think Germans were doing a share of it, but the biggest portion was ours. It was just getting underway when my tour was up. To find whole streets in the old sections of the city awash with raw sewage, as I encountered in my rambles more than once, was pretty disgusting and, of course, a major health menace.

It was our generators, which replaced those -- Soviet ones I think -- in the Aswan High Dam and which greatly increased power output.

The project to make agricultural loans available to small farmers and get decision making and funding more down to local levels, so that everything did not have to come from Cairo was working well and going far to change fundamentally and for the better central government-provinces relationships.

There were scholarships and training and a whole host of projects and programs which benefitted Egypt. I think it safe to say that without our aid, and I'm talking about the economic and not the equally large military aid, Egypt could not have been the kind of friend and ally to the United States that it was and is.

Yet, Egypt with its ballooning population, its statist legacy from Nasser from his compact with

the Egyptian people, its inefficiencies and top-down power structure -- with all these, Egypt was not moving out of being a very poor country, nor was there much belief or optimism it could or would do so in the foreseeable future. People talked about corruption, which of course was there, but it played a less important role than many foreigners thought. How often I encountered from Egyptians variations on the sigh-of-resignation theme: we can't see how things are going to get much better, but we cannot get too discouraged; after all, our prospects haven't been very good for thousands of years, and here we still are. We'll somehow get through now and in the future as we did in the past, but in any case it doesn't help if we spend all our time fussing and complaining about it.

We in USIS had the specific task of publicizing our assistance activities and for the Assistant Information Officer, it was the main activity in his job description. I was always uncomfortable with this USIS role, for reasons I have already mentioned. If our aim was to build up Egypt, the Egypt of Mubarak, why weren't we happy to let the regime take the credit, if that's what they wanted, as indeed they did? I put this idea earlier in the mouths of Egyptians; here I state it as mine. Few in the Mission agreed with me.

At a lunch at the Residence, the editor in chief of Cairo's largest daily turned to Ambassador Wisner and said Egyptians didn't fully realize the extent of our help and why didn't we do more to make it known, and then he went on to add there was next to nothing on this subject in the papers. Wisner turned almost accusingly to me, and I went through the explanation of the hesitancy of the media to run much on our aid, let alone do any of it on their own. But I could not resist adding that the editor's paper, *Al Akhbar* and Egypt's biggest, had that very day had a front page item on our assistance and another report on it in an interior page. The editor blithely replied he had not noticed them. End of story, but it pointed out Egyptian ambivalence and also the fact that making the assistance story interesting to readers and viewers was no easy task, whatever the intentions. If it were important to Egyptians, their own reporters could have done it. We would have been happy to answer any questions when they came to us. They never did.

Q: You had the Reagan Administration with its strong anti-abortion, anti-birth control bias; and Egypt's major problem, according to many observers, was too many people for that narrow strip of land. How did you handle this?

UNDELAND: The growth in population was staggering. It went from about 17 million when I was there as a student back in the mid 1950s to some 52 million when I left in 1988. And Cairo alone went from a little under 3 million to well over 15 million.

There were Egyptian individuals, groups and institutions working on family planning we were in contact with. We got them some information and helped put them in touch with American counterparts, but this was a very small and minor effort on our part. We tried to be responsive to approaches by Egyptians, and I think it a mark of the standing we in USIS had that they often came first to us. You know, AID was into family planning and we directed to AID many of those who approached us. We did send off one IV grantee who had a main interest in women's organizations dealing with this topic. The answer to your question is basically that, immense as the issue was in the larger sense, it had little to do with USIS, our aims and activities.

Abortion was far outside the scope of our operation, although it was, from what I heard, becoming more prevalent and officially, though not publicly, accepted in Egypt.

Q: How about your own perspective?

UNDELAND: Well, my perspective was that over-population was Egypt's greatest problem and would remain so. I did not see how significant progress towards better lives for the people was possible, while all resources were being eaten up by trying merely to keep up with more mouths to feed, more bodies to clothe and more housing to build. Only education and information can change ideas and values so that smaller families become accepted as desirable and feasible. Bringing about this kind of social and cultural change is never easy. I applauded the efforts of those Egyptians, who were trying to make a dent in this problem.

Personally, I have little use for the idea that you can work to promote development in an overpopulated, poor country like Egypt and not have family planning a integral part of it. To me, such thinking is just stupid.

This doesn't take up the abortion issue, but neither did we. My own views are immaterial.

Q: The universities there. You'd had very close relations elsewhere with them. Did you sense any difference in working with the universities in the 1980s and with Alexandria two decades before?

UNDELAND: On both occasions I worked closely with them. It is an area, which has always interested me and which I feel has lain central to USIS concerns in Egypt and in every other country where I have served. In Egypt the system had continued to expand, without having the human and material resources and funding anywhere near sufficient. Many good professors and administrators were doing their best, and many talented students graduated from the universities, but that was largely because of their innate abilities and drive and almost in spite of the system. But many, many more, did not. It is far too complicated a subject to get into the complexities here, but let me say I ruefully concluded that despite many efforts and some notable achievements, the situation was alarmingly bad and getting worse. Overall, academic standards had fallen significantly, disastrously, between the early 60s and mid 80s. By the time I left Egypt in 1988, I had reluctantly come to believe that while one must keep working on reforms and improvements, these alone would not be enough, and the only answer lay in setting up parallel institutions at all levels, in which the necessary standards could be set and maintained. I saw no other realistic solution, unless one were to junk all that was there and start over again, and this clearly was impossible for many reasons, but for starters because it would have caused a revolution. Each of Egypt's four main universities had in excess of 100,000 students, and the largest, Cairo, more than 150,000, all with facilities and resources that could not handle student bodies of more than a quarter of this number, at the outside.

There were admirable teachers and scholars, dedicated to their work and striving not only to do their jobs, but to make a difference. Given the difficulties under which they worked, it took a lot of character and dedication to keep going and not just give up.

Additionally, a fundamental problem lay in the miserable pay, which had loomed large in taking

a traditionally honored and respected profession and turning it into one looked down on as corrupt and inferior. Let me explain. Because teachers in primary and secondary schools could not make ends meet with their pitiful salaries, thousands of them resorted to private tutoring, of course for pay by parents, done after school hours. It was not a large step from that to handling their classroom instruction in such a way that only those who got the outside tutoring would be able to pass the stiff country wide examinations. It was a scandal, but what to do about it? One step was private schools, which ranged from very good to horrible, for they, at least in part, avoided the tutoring scam. But this could not be the basic answer.

University professors had similar financial woes, though not quite as dire, which they solved by outside tutoring, by selling lecture notes upon which exam questions were based, by teaching in several institutions, so they would have contract pay in addition to their basic salary from their parent institution and by outside employment. I knew one professor advising students on graduate theses, who could only meet with them on trains as he traveled from one university to another. He unabashedly admitted he had no other available time.

Nonetheless, Egyptian universities were among the nation's most important institutions and professors, deans and others moved back and forth between academia and senior government positions. There were always a half dozen or so professors in the cabinet.

Long standing ties existed between American and Egyptian university education stretching back to the 1940s. I found among the professor crowd, some of the most stimulating Egyptians I knew. I felt that despite the myriad shortcomings of the system, we had ample reason to focus major attention on those in Egyptian education.

How and where was USIS involved? We had a very active Fulbright program in Egypt, with its two way flows of Fulbright graduate students, researchers and lecturers. Large as it was, there were never enough grants to handle all the qualified Egyptians, who met the basic requirements and more. The Fulbright office was run by that dynamic, extraordinary American, Ann Radwan, who is still its boss a decade later. There was the usual Fulbright Commission, which operated outside USIS jurisdiction, but which I and the Cultural Officer followed closely, participating on selection panels and in other activities.

We had a major English teaching project with Ain Shams University, headed by the post English Teaching Officer and his British Council counterpart, with the nearly 10 American teachers funded by AID and administered by the Fulbright office, a nice arrangement on all counts. It had admirable Egyptian counterparts and was making considerable headway in expanding English teaching in Egypt's universities, but even with excellent cooperation, everything falling pretty well into place and ten years experience, it still had a long way to go. It demonstrated how accomplishing anything significant and concrete in education spheres was a major challenge.

University students made up our main clientele in the libraries of our two centers, and we put on a fair amount of special programming on campuses. One of the best was having former Assistant Secretary Hal Saunders, who was in Egypt on our AMPART program, take up Mideast peace negotiations with graduate students of Cairo University's Political Science Department. He met with some 15 of these students who were loaded for bear, but who gradually came around as he

skillfully broke down the problem of negotiations with Israel into its component parts. They, to their amazement, came to see there was more on which they could agree with the Israelis than on which they differed. This was on a Thursday afternoon and went so well I asked Hal if he would come back for another session the next day, which was supposed to be his day off, as well as the students'. He agreed as did they, and they put in another two hours of some of the best communication I have encountered anywhere in my career. I don't mean it solved anything or changed basic attitudes, but it did get people to look at themselves and their ideas in new, pretty dramatic ways. Of course, it is not often you have a Hal Saunders. I wish we could have more of this kind of intense programming with the universities.

We also sponsored activities by writers, economists, poets and environmentalists, to mention those that immediately come to mind. From them came, among other things, more use of our centers, our libraries in Cairo and Alexandria.

My regret was I personally did not have more time to spend at universities, much less than when I was in Riyadh, Damascus, Amman and Alexandria. There were too many demands on my time to break loose for the required minimum of a couple of hours. I missed being able to shove everything aside and say, I'll just go out to the university and see what our friends there now have on their minds. The few times I did do this were rewarding and useful to my own thinking and to what we as a post were up to.

Q: Well, administration takes its toll.

UNDELAND: It certainly does. On this score, I've already noted the organizational demands of an operation of this size. I had to spend one of the two supposed weekend days in the office, just to keep up with what I had to read and write. I usually made it Friday because that day Washington was open. Although I tried to leave my Saturdays free, it was rare when I could so, for the combination of USIS affairs and coping with the unending flow of visitors spared no day of the week. A great deal of what fell on USIS's plate and mine personally was driven by outside forces rather than by what we/I selected. At times, this got frustrating, but I had known before I came to Cairo, I was getting into a pressure cooker unlike any I had previously known. And I never forgot I had asked to go there.

I have never been happy as a paper pusher and have used almost any excuse to be out and doing. Cairo was no exception, where I took on a few things myself, to keep my touch with reality as it were. Maybe, also my sanity. I handled personally some of those activities connected with archeology and took the central role in the selection part of the IV program. I also got into trying to work out borrowing from the Khalil collection a Gauguin painting, *Les Femmes Baignants*, for the National Gallery and Petit Palais perspective on Gauguin. Despite personal roles played by three ministers and a file that grew to being more than two inches thick, we couldn't pull it off. Then there was the personal involvement in Wisner projects. Like that chap in Greek mythology, I kept up my strength by touching the ground.

Q: Well, now, could you talk a bit about how Nicholas Veliotis, the Ambassador operated?

UNDELAND: He was in ways, quite controversial and, sadly, misunderstood, although his

relationships at the Presidency and other upper echelons were very good. He suffered most at a more popular level, where he was incorrectly perceived by some Egyptians as not having that personal interest in Egypt and Egyptians that they had come to expect from the American ambassador. It was more a matter of personality and the way that he projected himself rather than the person he really was. Although open to discussion and ideas on almost any subject, on the question of how he was perceived and seen, he wouldn't listen to me or anyone else. God knows, I tried. And there was the Achille Lauro incident.

Q: Were you involved with the Achille Lauro?

UNDELAND: Yes, in that we were dealing with the press...

Q: This was an Italian ship hijacked by Palestinians extremists who brutally killed a wheel chair bound American.

UNDELAND: Klinghoffer.

Q: Klinghoffer, yes. Tell us about it.

UNDELAND: Without going into all the details, the hijacked Achille Lauro came into Egyptian waters, then moved to off the coast of Syria before coming back. Abu Abbas and his gang, who did the hijacking and brutal killing, were removed by the Egyptian authorities, and then Nick Veliotis went out to the ship and learned of the atrocity committed against this crippled American Jew, Klinghoffer. In a phone or radio call back to the Embassy, he referred to Abu Abbas and his terrorist cohorts as "sons of bitches." This got out and was taken amiss, as an attack on Arabs, on Arab motherhood, by a number of Egyptians. It was a stupid reaction, but in an Arab context less so than in our own. Nick let that impression stand without trying to come to his own defense, although I felt he could have, indeed should have. My point is only to say I regretted he did not project himself and what he stood for more effectively. Having said this, he was splendid to work with, a capable representative of the U.S., dedicated, fair, and without an iota of flimflam. I liked him and enjoyed being on his staff.

Q: And how about Frank Wisner, to whom you have made a couple of tantalizing references? He has a reputation in the Department of being very competent and at the same time not easy to work with.

UNDELAND: That puts it rather well, and I know that's how more than a few feel about him. I want to start by saying he was the right person for Egypt at that time. Egyptians responded very well to his ready smile and flair for the theatrical, to his plunging into Egyptian life and institutions with obvious relish, to his, at times flamboyant, interest in and concern for the country and people in virtually all aspects. He did not restrict himself to those areas more traditionally connected with diplomacy and diplomats, but spread himself across the Egyptian spectrum. He was ever the activist and used USIS more fully than any ambassador I have known. The PAO was his PAO in the fullest sense. A couple of examples, in which he involved me personally.

He originated the project of using some \$5 million of USG owned Egyptian pounds, generated by PL 480 sales, to repair and restore five *Mamluks* mosques in the old city, which had badly deteriorated. He threw himself, and me, into this with his typical fervor, chaffing that things did not go faster and that getting ongoing progress and expenditures reports from the Egyptians was so difficult. I was his point man and, given my personal interest in the *Mamluks*, relished my role in it.

Another was his backing Carter Brown's attempt to pull off the loan of 125 of the Egyptian Museum's greatest treasures for an exhibit at the National Gallery of Art. Again, I was Frank's point man and a party to the negotiating sessions. The Antiquities Department's Zaki Hawass, with his Pennsylvania Ph.D., represented the Egyptian side and proved more than a match for Brown. Again, I was stimulated by my involvement. As a footnote, the loan never came off. One had to get accustomed to things not working out or, at least not as planned.

Frank wrote one of the best OERs on me I've ever received, and yet my relationship with him was strained from the outset. It began when I vigorously opposed his desire to respond to a scurrilous article about his father's suicide in a Libyan financed rag of a Cairo weekly newspaper, that was without much readership and had virtually no influence. Nothing would have pleased the editor more or given him more standing than for the American ambassador to deem him important enough to get an answer back. Frank finally backed off, but so reluctantly, I wondered if he would want me around much longer. Then, Wisner eliminated the English Teaching Officer position over my strong objection and to USIA's dismay, as part of his nominal downsizing effort in which he particularly went after USIS for reasons I could only guess. He was irate when an Egyptian professor bluntly told him this was a big mistake, and I doubt Frank ever believed my denial that I had been behind it, of having staged it for his benefit. By the way, as soon as Bob Pelletreau got there, the English teaching position was restored.

I recall one of my periodic sessions with him, at which he outlined 17 different new activities he wanted USIS to undertake. He bristled when I told him to pick out the 2 or 3 that had his top priority, for there was no way an already busy USIS was able to do all he wanted.

His ego was never far from the surface, and I found that tiresome. A ranking Egyptian official came to me to tell him of the Government's dislike of his taking Egyptian journalists along on his trips around the country and on his being such a public figure, asking me to pass on to him the request to "cool it". I did of course; he took it well.

To work for him was to be in a never relenting pressure cooker and he did not like being in any way challenged. Frankly, much as I admired him for a lot of what he did, for his involvement and imagination, and for the way he appealed to Egyptians, I found being his PAO meant needless bouts of tension, that shouldn't have been necessary.

Q: Before we move on to Tunis, do you have anything else you'd like to say?

UNDELAND: Our relationship with Egypt was very close, good and positive, as I've already said. At the same time, there were glitches, nagging problems, differing perceptions and the like. Egyptians constantly expected the United States to provide more, to do more, than was feasible

or possible. They also expected us to accept almost automatically their ways and to overlook things we found questionable or wrong. We found in USIS that our programs and projects required constant monitoring, management and fine tuning. With a moment's lapse, they could so easily come unstuck and fall apart, and with amazing rapidity. They could of course often be put back together, but this took more time, patience and effort than we usually had available. It meant we tended to lower our sights, so that I found the outcome of many of our projects resulted in less than what we had hoped and planned for at the outset.

All blame does not belong on the Egyptians, by no means so, for what we were being asked by Washington to get the Egyptians to do was all too often not realistic or feasible. I admit to something far less than success in getting across these points to my headquarters. I all too often had to answer to what was essentially, "what the hell is wrong with these Egyptians? Why don't they do what we want them to do? It's really not going to cost them anything much and aren't they our friends? We're giving them all this aid. Don't they appreciate it?...."

A confidant of President Mubarak, with whom I felt particularly close, ruminated on Egypt and the U.S. while we were filling in time awaiting the arrival of Secretary Shultz on one of his periodic visits. This Egyptian said, "Dick, you know, you Americans just don't understand the Egyptian Government and its governing as well as you should. You think we are the same as you, but we are not and cannot be. We want democratic institutions. We want a responsible government, a parliament with several parties, a concerned and effective administration, honest and not repressive police, an independent judiciary and real justice we can depend on, a press that expresses different ideas. We don't want any midnight knocks on the door from security forces. But what we don't want and won't accept is democracy. The first three of our presidents came from the military and I expect that the next three also will. What we are not going to do is lay this country open to extremists who, merely by getting the most votes, can come to power. We're not going to run that risk. If they did take over, we could never get them out by another vote, by the democratic process. You just are going to have to realize this Egyptian reality, but unfortunately you don't." I must admit I personally agreed with him and, for that matter, still do.

They were very sensitive about our perceived or real attempts to twist their arms. This was true in many areas, but particularly true when it concerned Israel. The peace agreement had brought about an end to hostilities and a confidence that war would not break out again, but few Egyptians were at that time ready for much more, except for some technical, scientific cooperation, and that only so long as it was kept out of the glare of publicity. And we were constantly pressured, indeed badgered, to push the normalization button. The "we" is the U.S. Government, but also American universities, foundations and other institutions with close Zionist links, and they almost always wanted it done to the accompaniment of hoopla, bells and whistles. I went through motions more often than I care to remember, when I knew such an agreement, if achieved on paper, would not be in fact implemented.

I got to know reasonably well the Israeli press and cultural attachés (a most likable couple) and director of the Israeli institute; the first two had a lonely existence, for contacts with Egyptians were extremely difficult. They were included in only a few very official functions. I do not believe they ever saw the inside of an Egyptian home, nor would the normally gregarious Egyptians come to their place. The institute had quite an active program, with its events, mostly

lectures, fairly well attended, although it was said that the Egyptians who came were all present or prospective members of the *mukhabarat*, the state security/intelligence services. Indeed, Ain Shams University had a Hebrew department, whose students according to a senior university official had those affiliations or were preparing for them. In discussions, these Israelis expressed dismay over the attitudes and actions of their American supporters and their unrealistic expectations of Egyptians. Indeed, on most things I found myself on the same wave length with them.

JOHN W. MCDONALD
Economic Officer
Cairo (1963-1966)

John W. McDonald was born in Coblenz, Germany on February 18th, 1922. He studied political science and law during his stint at the University of Illinois Urbana-Champaign, graduating in 1946. Soon after, he joined the Occupying Forces in Post-War Germany and thereafter entered the Foreign Service, working in Germany, Turkey, Egypt, Washington and with the U.S. delegation to the United Nations. This interview took place on June 5th, 1997.

Q: You went to Cairo doing what?

MCDONALD: I was Economic Officer. [In February 1963] I had been promoted to O-2, and so I was the senior Economic Officer.

Q: You were there from '63 until?

MCDONALD: '66, August of '66, four years.

Q: What was the political and economic situation in Egypt, when you arrived?

MCDONALD: Well, of course, Mr. Nasser was in charge during that whole period and it was a fascinating period. The Soviets were obviously ascendant and they were in the middle of building the Aswan High Dam. It turned out that was one of my responsibilities, to report on the Aswan High Dam and its growth. I was also interested in the whole AID Program, particularly the East bloc [economic assistance] program that was going into Egypt.

A very interesting thing happened there that turned out to be rather unusual. At a Soviet reception, fairly early in my stay there, I had been there maybe a year, I met a young Soviet economist and it turned out that he was interested in the USAID program, and what was happening. I was interested in his aid programs in Eastern Europe and so forth. So we decided to get together. I invited him over to my office and we had an hour together and I explained how our system worked and what PL-480 was and so forth. A month or so later he invited me over to his embassy and answered all my questions. This relationship continued for two and a half years. I was told later by our friends at the CIA that it was unique. We had

developed a close relationship. He told me everything he knew that was unclassified, and vice versa.

We reported back by airgram in those days and it got to the Agency and after a year or so they couldn't believe it, because they would check this guy and everything he said was true. They never caught him in a lie, and of course no one ever caught me in a lie because that is pretty fundamental. So they began, his agencies and my agencies, to send us questions to ask which were outside of our parameters. So I would ask a question and he would laugh and say, "I don't know" and then he'd ask me a question and I would laugh and say, "I don't know." And we went through this song and dance a few times and then stopped doing it, because [our dialogue] was valuable, what we were providing each other. It helped to understand and plan for and so forth and so on, and so it became an invaluable resource.

I got transferred, he was still there, and I tried to pass on the linkage to my successor. It failed totally. After one meeting they never met again. It was a different synergy and different relationship. But I learned when I came back here that it was really quite unique to have that kind of relationship, and it was terrific stuff because they were pouring hundreds of millions of dollars, billions of dollars, into there, and the East Germans had their own program, and the Czechs had their own program, and the whole bit. So that was an unusual thing that I thought would be of interest.

I had a couple of other stories that might be amusing. When I had been there about three years, the International Monetary Fund sent its first ever team to Egypt. There had been a failure of the cotton crop, and Nasser reluctantly asked the IMF for some money. Of course in their eyes he had a poor reputation so they sent this 15 person, all male, team. They stayed at the Hilton, they had a conference room at the Hilton, and I was their first person they invited to come and brief them on the Egyptian economy, and the impact of the Soviets and so forth.

So we sat down at the table and the first thing I said was, "Gentlemen, you should know that this room is bugged." And there were gasps around the table of how could I say this and I said, "I've lived here for over three years and I know this is the case. And by the way, I use this to my advantage for its great access because I tell them what I think, and I know that it gets into the right sources and at least they hear it." And I went on, and this was about three hours of time together, and toward the end someone asked me about the head of the Central Bank, and I said, "Oh, he's an ass." I then went on to something else. And I thought, my God, I'm going to pay for this. The next night the head of the Central Bank invited the team and me and a few others to a reception in their honor. In the receiving line I was totally ignored by the head of the Central Bank. Actually I thought that was pretty good because their system really worked, not only was it taped but it got to him in a timely fashion so that he could cut me quick at the party! So that was kind of fun. But I let the people on the IMF team know about this little story just to prove to them that it was bugged.

We were tailed wherever we went, whenever we had a party the numbers of the license plates were put down and the security was very tight from their side.

But I did get some exciting thing done. I had been there a month when I was elected President of the PTA. I had four kids in school.

Q: That is the Parent-Teachers Association?

MCDONALD: Right. The Cairo American College was the high school, or the school there for kindergarten through 12th grade. There were about 450 kids. Two weeks after that the Chairman of the School Board resigned and they made me Chairman of the School Board. So for three and a half years I was Chairman of the School Board. I raised a million dollars for a new school, helped to hire architects to design it, and now it is probably the best school in the world in the whole system of U.S. funded schools abroad. There are now 2,000 students there.

Buying the land was an interesting part of the whole process. I had to get 15 Ministers of State to sign the deed because it was land from one of King Farouk's daughters that owned it. It was in Maadi, a suburb, and was a beautiful piece of land. That is where the school is located, so it moved a few blocks over. So that was a challenge and I enjoyed that.

One other little story that you might appreciate: it took me about a year and a half to figure out. I became an amateur archaeologist in Turkey and continued my interest in Egypt, the two great countries in the Middle East in that regard. So I had 8 years in the Middle East and had plenty of opportunity to be an amateur archaeologist and I learned after a year and a half or so that every Minister in Nasser's cabinet considered themselves direct descendant of the Pharaohs. As long as I realized that and treated them accordingly, I had great access. And it worked.

Q: This was a period of very difficult relations with Nasser which culminated in the '67 war against Israel which essentially brought down Nasser over some time. What were relations with the United States, or with our Embassy? You said you had good access to the Ministry.

MCDONALD: Well, during that period as the Economic Officer I negotiated about a billion dollars in PL-480 food agreements. That turned out to be my thing. I was also Acting Agricultural Attaché at one point and Acting Scientific Attaché at another. Those were interesting times. It was very strong.

They couldn't live without our food. They could not raise enough food themselves. We were the breadbasket of the world. The Soviets were importing food also from us. There was no food from the Soviets, so where do they go for food? They had to go to the United States. And that was the balancing factor that kept all doors open because they knew, and Nasser knew, that they needed that food to survive. So that was our entrée and the Ambassador, I'm sure, and the DCM, used that accordingly, but I was just the guy to do it, so I was not involved in that sense in the political issues.

Q: Who was the Ambassador when you were there?

MCDONALD: There were two Ambassadors, Luke Battle was the second Ambassador, and

the first was, I can't remember his name at the moment... He, however, had been President of the American University in Cairo. He was an Arabist. He was a non-career person, a political academic, beautiful Arabic, a terrific human being. He was Ambassador for several years and everybody loved him, including the Egyptians, because he knew more about their history and their language than some of them did.

One of the interesting things about this period I don't think many people knew, but King Farouk, while he was still in power after World War II sent two shiploads, I was told, two shiploads, of young, bright people to the United States for educational purposes. They all got their Ph.D. in the United States and then they came back to Egypt and Mr. Nasser. Of the top eight positions in the Ministry of Agriculture, while I was there, six were Ph.D. from the University of California in agriculture. I mean, that's impressive, to have that kind of an intellectual input into a dictatorship as it turned out. But that really paid off, because a vast number of the key people in power, who were the smart ones, had advanced degrees from the United States. So they were supportive of the United States, they never liked the Soviets. I never met an Egyptian who liked the Russians. It was not just because it was me, because this was prevalent throughout society.

Q: It just wasn't a fit?

MCDONALD: It didn't fit at all. It was a totally different culture, there was no synchronization, and they didn't like Egyptians. It was mutual, there was no question about that. But the Egyptians empathized with Americans. This intellectual exposure, I think, had been great and so we were friends. Quite seriously, I had many, many Egyptian friends over the years.

Q: Here you've got Egypt. Which at that time and had been for millennia, a country along a river, essentially a very narrowly cultivated and populated zone. We were trying to do something to help. The Soviet Bloc is trying to do something to help. We are talking about the '63-'66 period. They've got great population explosion and all that. What is your estimate of what the Soviets and the Bloc countries were doing, how effective was it and how was it impacting on the Egyptians?

MCDONALD: I believe that the Soviets particularly, of course they were the lead, had a much broader picture of the Middle East than the State Department did. They saw the future, they saw the oil wells that were there and they saw the weaknesses in our policy and they just moved in. And they moved in during this period. They moved into Egypt, they moved into Syria, they moved into Iraq, they moved into Libya, and they were a major presence in the world in the Middle East. I am sure that their long-term strategy was to eventually take over all of the Middle East. So that part was certainly, I think, a very real threat. Here they had four countries already in their orbit. We didn't see that, I don't believe.

I never saw any [U.S.] policies that were regional in nature. Again we were one country at a time. This is what we did with country X and separately with country Y. I just don't believe that the regional approach was recognized. I give the Soviets great credit for doing things that we did not perceive as a major threat.

Q: But what about the effect on Egypt? Egypt seems to have this population plus living room problem. Do you think that what the Soviets and their satellites were doing was effectively helping Egypt?

MCDONALD: My belief is that all of the Soviet aid and the Eastern Bloc aid to Egypt were politically and militarily oriented. They wanted to supply them with Soviet equipment for long-term purposes. They wanted to equip them to be an ally to do what, I don't know. But they were trying to make political profit by the projects that they took on. And, of course, they flaunted the Aswan High Dam in the face of the United States. As I think we talked about earlier, there was actually a 400 million-dollar World Bank loan which had been approved and Dulles got that reversed. The design for the Aswan High Dam had already been made by American engineers and was thrown in the trash can, unfortunately, and the Soviet model was approved, which was disastrous. So they were interested in making political points much more than they were interested in the economic development aspects. They wanted to control the Government; they were seeking long-term control.

Q: You were monitoring the Aswan Dam, what were you reporting on how this developed?

MCDONALD: Basically on their progress of construction. They had the wrong design but they still did a magnificent job when it came to actually doing it. What they decided to do was basically to build an earth dam to block the Nile with earth. What they had to do then was dig an enormous canal out of the hardest granite in the world, for the Nile to pass through and around the dam itself, as opposed to having sluices through the dam as the U.S. had designed it to do. So what they had to do was to dynamite this enormous gorge which the Nile was going to go through, which was a considerable length. And they found, and this was an anomaly, as you can imagine, at the height of the Cold War, that they needed U.S. equipment.

The Soviet equipment, particularly the trucks, enormous earth moving trucks, and particularly the drilling equipment and the drills. Their drills were not tough enough to get through that granite in which to put [the] explosives. So they had to arrange through us a negotiation to purchase American trucks and American drilling equipment. Which is a great loss of face to the Soviets right in the eyes of the Egyptians, but it just didn't work, their drills would break off because they weren't hardened steel. So that was the kind of thing.

It got pretty hot there. They worked around the clock, seven days a week, all year round. It would get up to 130 degrees in the day and so they wouldn't work in that kind of heat, but they would work nights so they had enormous searchlights all over, which made it like daylight. They had housing problems of all kinds. They had maybe 30,000 people working on that project, and they had to resettle people. It was a very complex, sophisticated project and I would go down there every three months or so and just report on what was happening and how they were getting along and what their problems were.

Q: At one point they were talking that the dam would be a disaster for Egypt because of silting and all that, was that our feeling at the time?

MCDONALD: Yes, and it is happening now. They also had to, because of the backup of Lake Nasser, they had to move Abu Simbel, one of the great monuments of 1400 B.C., that had been built to honor - that's an interesting story, by the way, and I had the chance to see both ends of it. In 1400 B.C., the first peace treaty was signed in history. This was between the Hittites of Turkey, and the Egyptians. They signed it in what is now Syria. They had battled on the plains of Syria and they'd come to a standstill, basically, so they decided to have a peace treaty, in which they both agreed to make peace and go back. It was clear there was no victory on either side.

In my archaeological experience I went to Hattush, which was the capitol of the Hittite Empire in 2000 B.C. and beyond. There was an enormous monument, or what was left of it, that had been built to honor the Hittite victory over the Egyptians, in spite of the peace treaty which had been signed. And then in my Cairo experience I got down to Abu Simbel and that was a great monument built by Rameses II to honor the Egyptian victory over the Hittites!

So the first treaty was signed and they went back and built monuments in their respective countries honoring their victory. So that's how peace was determined in those days.

But UNESCO did a magnificent job of cutting up the monument piece by piece and then rebuilding it higher up so that you can still visit it there now after the dammed lake had been filled. But it has had major ecological difficulties for downstream because the silt has not gone through and the fish...major difficulties, as predicted.

Q: In other matters were you all seeing yourselves as in competition with the Soviets, or was it pretty much a matter of holding the fort and lasting out Nasser, what was the attitude?

MCDONALD: There was a lot of competition between the Soviets and the U.S. We were each pushing the other, trying to outdo the other one way or another. We would talk about our wheat and they would talk about their dam, you know, that sort of thing, on the economic side. We were much more interested in the economic development aspects. We had some important programs there under AID and they did some good work there. But there certainly was a feeling of competition.

I remember the Ford Foundation also did their first ever population project. That was very innovative, remember the years we are talking about were a very long time ago. They were able to buy in and get the support of the midwives. They would pay the midwife 50 piasters, a half a pound, which was nothing, and was what the midwife charged for delivery of a child. They'd pay that same price if the midwife would pass out literature on contraceptives and pills. The midwives thought this was a lot easier than getting up at three o'clock in the morning and giving a birth. So it worked very nicely for quite a while. They had a couple hundred thousand women who were on the pill.

Q: You are talking about the birth control pill.

MCDONALD: That's right. Of course, they were foreign exchange funded. The Ford

Foundation thought this was going fine, the Government liked them, the Government was paying for it, and the Ford Foundation backed out of it, they had launched a good program. And suddenly there was some foreign exchange difficulty, and the Government cut off money for contraception pills. Of course as you can imagine the birth rate surged dramatically over the next 18 months in that particular group of women. So there was a lot of face lost in the process.

Even though the U.S. policy on family planning was just getting started, very minuscule, actually, I'll talk about the first project on that in a moment, I was a long time supporter of the concept. I kept pushing the Ford Foundation, talking about it to the Government, and so forth and they actually created a Family Planning Commission during that period. But they just were not as effective and so they still today have population problems.

The first AID project in family planning I think was in 1965 in Turkey after I left. It was a million-dollar grant to buy jeeps. The intent was for the jeeps to take the doctors to the village to hopefully talk about family planning. That's how AID backed in to that socially difficult issue.

Q: Was there a problem at the time in Egypt from the Catholic Church in the United States about family planning and all?

MCDONALD: There didn't seem to be, no. And the Mullahs couldn't find anything in the Koran against it. They just had not seen the correlation, really, between economic development and family planning. Later of course, when we got more sophisticated, the studies showed the direct correlation, and people began to shift. But in those early days there was not that connection seen by the Government structure.

Q: What were you getting from your Egyptian colleagues about Nasser? Was he riding high at that time?

MCDONALD: He was riding high, there was no opposition. The Moslem Brotherhood was not a factor at all. They liked him because these were Government people and, of course, they worked for him. They got kind of a charge out of the fact that he, Nasser, was a past master at playing the U.S. off against the Soviets and vice versa, and I agree with them. It was absolutely true, you could see it happen month in and month out and that's how, as I mentioned, they got him in in the first place. But he was an extraordinarily skillful politician. I give him great credit for his ability to manipulate the two world powers that were vying for influence and control over his country.

I would say that he was a pretty popular person. The interesting thing was, I remember meeting the Chairman of the Parliament, Mr. Sadat, who was always in the deep shadow of Mr. Nasser. You would meet him at a cocktail party, or something, and shake his hand and move on to talk to somebody important! Out of that, I think, came one of the world's great statesmen. But at the time Mr. Nasser was there he certainly was not seen in that light.

Q: What was the attitude of the Embassy towards Nasser at this particular point?

MCDONALD: Well, I think it was pretty positive. I think they realized, I think both Ambassadors realized, that he was playing the U.S. off against the Soviets and back and forth, so this was part of a game. But he was accessible, and his top people were accessible. Again, to me, this goes back to wheat; this goes back to grain. You know when you negotiate in a three and a half year period, or whatever it was, over a billion dollars in food, that was a lot of money in those days especially. So that was the access that [it] provided and this is an interesting example of how food aid provides access politically, because that really provided access. And so when we had things to complain about, well the Ambassador would call up and get an appointment and go complain about it. So there was access.

Q: Did our relations with Israel play any role during this particular time, did it come up?

MCDONALD: Not in my experience, it didn't come at all. It just was not a factor, certainly in my work. I was there during a fascinating time that was called the linkage with Syria, Egypt and the Yemen.

Q: The United Arab Republic.

MCDONALD: The United Arab Republic, thank you. That was a fascinating period. Just from my perspective. Here we were with three different countries. By the way, all three of whom were controlled by the Soviets, because the Soviets were in the Yemen as well. And here they were all linked by treaty, but not linked physically at all and not linked in any other way, except by treaty, as far as I could figure out. But the amount of verbiage, the amount of language and PR [public relations], that was given to those of that unique historic experience, and the talk about the Arab Nation and so forth. This was a step toward, you know, world domination or whatever. I mean, the Arab League was based, of course, in Cairo. These were heady days for those people who had that kind of a vision.

It was during that period that I visited the Yemen. I got a ride with the Air Attaché, who would go down there every six months or so. That was exciting, I got to Aden and Sanaa, and all around and to Saudi Arabia as well.

But economically it had zero impact on Egypt or what we were doing, but it was great PR, I must say.

Q: Again, what were you getting from the Political Officers and all at our Embassies? Did they think that this was a flash in the pan, which it turned out to be, or were we taking it seriously?

MCDONALD: No, nobody took it seriously, not even the Egyptians. Because the Egyptians felt so superior as a race and as a people toward both Syria and Yemen, they were just dirt. In fact, when I told some of my Egyptian friends that I was going to the Yemen, they laughed and they said I was going to be in for a surprise, that the Yemen was a nation struggling forward into the fifteenth century. Into the fifteenth century, not the twentieth century and, of course, they were right.

It was with considerable disdain that [the Egyptians] looked upon [the UAR] and, as you say, it was a flash in the pan. But, my God, the number of articles and papers and editorials written upon this was into the thousands.

RICHARD A. DWYER
Ambassadorial Aide
Cairo (1963-1966)

Richard A. Dwyer was born in Chicago, Illinois in 1933. He completed an A.B. degree at Dartmouth College in 1955 and then earned a M.A. degree in Public Affairs at Princeton University in 1957. After college, he went directly into the Foreign Service. Mr. Dwyer's overseas career included posts in Syria, Egypt, Bulgaria, Chad, Guyana, and Martinique. He was interviewed by Charles Stuart Kennedy in 1990.

Q: Now you were a direct transfer to Cairo?

DWYER: Yes. I had had an assignment to Casablanca at the end of two years which sounded real good to me. That's where I originally was interested in going. Ridgway Knight, our Ambassador in Syria, of whom I was, and still am, very, very fond, called me in and said, "Dick, I know you want this assignment, but I have interviewed your replacement and I don't think he is the man for the job and I would like you to stay on for another year. I will see that you get a good job." I was young enough and naive enough to think that ambassadors could actually do that. I did stay on for another year and when the time came to transfer I was in effect handed by Ambassador Knight to his good friend the Deputy Chief of Mission over in Cairo who was looking for a staff aide for the ambassador. This came as a surprise to me because my wife and I had just spent two weeks of our leave travelling throughout Egypt never knowing when we were going to get back to the Middle East again. I had also considered and decided against Arabic language training and here I found myself right back in the area, just across the river in Egypt.

At that time John Badeau was our Ambassador in Egypt, a Kennedy appointee who had some thirty years in the Arabic world. He had been president of the American University in Cairo, was an engineer and minister. His Deputy at the time was Bill Boswell, who had come from a job as head of some office in security. The embassies were totally different in the sense that Embassy Damascus was -- well, when we first got to Damascus it was a miserable post, people weren't talking to each other. We were there in a hotel room, my wife pregnant, and it was six weeks before anyone invited us out for a drink, dinner, or anything else. Finally the Station Chief took us under his wing and then fortunately the Chief of Mission, who was a bit of an alcoholic and I think a large part of the problem, was transferred and it became an excellent post with everyone working together. A true country team with all agencies getting along well. Everyone felt they were doing something.

To go from a small embassy like Damascus into Cairo which was 350-400 people at the time --

enormous to my eyes -- was quite a change. Of course there was none of the family feeling of the small embassy in the big one. But Bill Boswell wanted an office manager and he being a good friend of my ambassador in Cairo I was handed over. It was a fascinating three years in Cairo as staff aide, executive assistant, or whatever title I held [there were several]. It was kind of fun because in the ambassadorial area there were only myself and the Minister and the secretaries of the Ambassador, Minister and myself, and an Egyptian social secretary. So being next to the source of power was almost like being there -- I tried to remember none of the power really was mine! The reverse side of the coin was that I had no real work of my own to do that took me out into the Egyptian community. As a matter of fact, I had to be very careful about my contacts, not only with the Egyptians but with the enormous press corps we had there. Rick Smith, was head of the New York Times bureau and a terribly persistent person. The aide was always the target for all these people if they couldn't get in to see the Ambassador or the Minister. But it was very interesting.

John Badeau pretty much ignored the rest of the world and most of his Embassy. He dealt with Gamal Abdel Nasser. When he was leaving and we were waiting for a new ambassador I compiled a book for the new ambassador that consisted of the forty-odd conversations that Badeau had had with Gamal Abdel Nasser. I indexed them by topics, etc. It was kind of like a joke because he would go down and say to Nasser, "The American policy is this," and Nasser would respond with something like the famous convention, the comedians, you could give the numbers, go in and say "42" and Nasser would say "46." But Nasser was completely accessible to Ambassador Badeau for most of the time. I wonder what ever happened to the book?

Ambassador Badeau and his wife were older than the average. They had no interest, whatsoever, in the local diplomatic corps which was 120 members. He felt, quite rightly I think, that he wasn't there to talk with the other diplomats, which meant his DCM was saddled with that. Not a terribly unpleasant responsibility, but still, if he were not an Arabist, why he was less interested in the inner workings of the Arab world than were the political section or economic section.

We had an enormous AID program. We had eight people tripping over each other and us. We had these 50-odd people in the military attaché office, two airplanes plus a military air transport office, plus a navy medical research unit that had been there since '46 and even stayed after the '67 war.

Q: That was when technically our Embassy closed down but we kept what amounted to an Interest Section.

DWYER: Well, I will say we saw it coming and I still have framed somewhere, or at least on a scroll, my exequatur as a consular officer because the Ambassador looked rattled and his political officer, Don Burgess, said, "Let's make everybody that you might want to stay a consular officer as well as diplomatic officers so that if we all get kicked out we can stay as consular officers." It didn't work, they kicked them all out anyway. I think that Don Burgess had in mind that he was going to end up as head of an American Interest Section somewhere, but unfortunately he did not. Interestingly enough about the same time I think I finally got promoted. We got there in November of '63 and President Kennedy was assassinated shortly after we arrived and I have the commissions appointing me as a consular officer in addition to a secretary

because of this request for the exequatur, signed purportedly by Lyndon Johnson ten days before Kennedy was assassinated.

Q: What was your impression and maybe others in the Embassy you were talking to, of the effectiveness of Badeau as an ambassador, or the influence of the United States in Egypt on Nasser at that time?

DWYER: Well, what leverage we had was in large part dependent on foreign aid and, of course, the Aswan Dam was the most obvious example there. But I felt then and I have often felt since that Washington, the Congress and even the Department of State didn't seem to realize that this is a coin that can only be spent once. You can't continually threaten taking it away because if you do why it is crying wolf and nobody will believe you. If you do so, why then what do you do as a follow-up?

Our AID program at that time was, as I said, highly extensive and interestingly enough there was a program started under Bill Crockett in the Department of State at the time and which was an attempt to organize the Department, and particularly the overseas embassies tightly along the lines of American policy interests. In other words, we have x number of dollars...and this was also thanks to the Kennedy letter giving the ambassador much more formal authority than ever before in running his embassy. The idea was working through the embassies rather than the Department where the ambassadors did have this Executive Order and letter from the President we might be better able to tailor our resources overseas, than we could directly from Washington. The Department of State in Washington could not then, and still can not, influence as much as it thinks it should the activities of the other agencies abroad and of course the Department's philosophy has always been if you can get someone else to pay for it we don't care how many people you have. Anyway, as part of this there came to be a program where, on an experimental basis, each embassy was assigned resources which would include one executive assistant and a secretary who would run this experimental program in embassies around the world.

By this time Luc Battle was the ambassador and he was an excellent intra-Departmental politician, having been Executive Secretary of the Department and an Assistant Secretary before he came out there. The Department had a few secrets as to how it worked. He said, "What do you think about this executive assistant, what shall we do about it? Shall we refuse it or -- I'm not sure I can easily refuse it or even should I?" And my feeling was let's take it as long as I'm it -- because as aide to the ambassador I really didn't want an executive assistant there -- and I said furthermore it comes with a secretary and we never have enough secretaries. So that is what we did. This program consisted of requesting, if you can imagine such a thing, the 350 people to keep track of their day in 15-minute segments as to what they did. We had space for going to the john and space for unlocking safes in the morning and the whole bit. There were interviews. I don't know if we interviewed them all, but we had a team come out from Washington to do this - a half a dozen people. I think we interviewed almost everybody of a substance nature in the Department of State, I don't know if we got down to the well diggers or not. Probably not the technicians in AID, but most everybody else.

The idea was to compare this survey with a country policy paper that was to be drafted first by

the Embassy. The Embassy was. I think in our case, to write the first draft of what American policy should be towards Egypt. Then this policy paper would go back to Washington where it would be approved on an interagency level. It would come back to the field and after all the information of a couple of weeks work of what people actually did, these duties would be assigned to policy topics by me or by the team. Then we would try to see if we were spending our resources in the correct manner. We evaluated all resources in terms of time and money. Time was people, and money was obviously money and projects.

There was a tremendous amount of money spent on this thing. It went around the world. I don't know how many embassies were doing this. Of course, it ran into every kind of prejudice that old line Foreign Service Officers ever had. But Luc Battle was perhaps unusual in that he said, "Go ahead and do it. I will support the project and try to go along with it completely."

The Station Chief took me aside out to lunch one day, which he normally did not do, and we had a few drinks and he said, "You know you are not going to really ask what all my resources are out there." And I said, "Yes, we are not making substantive judgments on what they do, but the Ambassador does want to do it." He said, "I will give you some numbers, but you know Dick..." I said, "Luc Battle said he is going to do this so we can go on." I think the Station Chief was amazed when the final thing came through and said we had too many people here as far as the Ambassador was concerned. He said, "They are not contributing to my carrying out of American foreign policy. That is not to say that they do not have missions on a global area, for example, of Soviet interests and penetration that are completely separate from American-Egyptian interests. But as far as American-Egyptian interests are concerned, why we can do with something about half this size" -- which made me very popular with the Station Chief. Even less popular with the military attaché office where the Ambassador thought two or three would do nicely, thank you. I will say we had at that time a couple of senior military officers there who had personal problems and did not give much leadership to their staff. We also had some very good professional junior military officers that did a superb job including Gary Siolc, who later became famous as the White House man on Iran.

Q: Iran, yes.

DWYER: While we had a number of good professional intelligence people we had an awful lot of support people out there maintaining these people in a style they would like to become accustomed. We even found people we didn't know we had. There was one guy who had been there forever and I always assumed he worked for the Agency and the Agency finally said, "He doesn't work for us". I said, "Are you sure, I don't want to step on any toes"? He said, "He was a political officer". I said, "He is not a political officer, he has an office downtown." It turned out that he worked for the Library of Congress buying books. Everybody had presumed he had been working for Langley for fifteen years, including, I am sure, the Egyptians.

So when it came time to cut back, the poor guy lost his job and was replaced by an Egyptian. Anyway, the moral of the story, and I am digressing too much, is what actually happened was that the agencies couldn't agree on a policy towards Egypt. We could not and did not ever have a policy paper that could gain acceptance in Washington. The summation of this was that it was agreed that everybody would continue to go on doing their own thing. As before, you didn't the

rock the boat as long as these other agencies didn't get in your way. We did manage to cut back in a few slots, purely because of budgetary reasons, but as far as the whole idea of having a policy and directing your resources towards it, that did not work.

Political officer, Don Burgess, had always felt for a long time that there were approximately 50 people in Egypt that it was important to know -- these were Nasser's inner circle. Under Nasser and indeed, I suppose, under Sadat, too, and probably now, the Foreign Office, well maybe it has changed in 30 years, but the Foreign Office in those days was composed of people who had still been educated under Farouk or at least in the old line British tradition of a Foreign Office, but the fact of the matter is that they had very little influence on foreign policy.

Q: This is so often the case in many countries. The Foreign Ministry or Foreign Office is just an...it handles the very technical things but other than that...

DWYER: It did the necessary as far as the support of the Embassy was concern and when we got into a brew-ha-ha about buying a new Embassy residence even there they were of little or no help. We rented a Victorian manse in Heliopolis [ph], a suburb of Cairo, for the American Ambassador which was badly suited for Embassy needs. It was enormous and had 4 or 5 bedrooms. It was in the middle of town, a couple of blocks from Independence Square where the mobs could stop in on their way to assemble or disassemble and had really nothing to recommend it.

We had literally millions and millions of Egyptian pounds. Luc Battle found a house on the other side of the river that was a lovely place and ran from the river back to the main road going out to the pyramids -- in other words, a whole block that had been owned by one of the early prominent politicians of Egypt and his wife, who was a French woman. She was now elderly and still living on the property. She was quite agreeable to selling the property to the United States after her death. We had a fairly sharp general services officer and admin officer and I must say the poor old lady was probably not even cold before the property was signed, sealed and delivered to the American government. This absolutely outraged, I guess it was the Minister of Labor who had his eye on this property. We ran the American flag up the flag pole, the militia came in and tore it down and we ran it up again, etc.

Finally, after Nasser's death, Sadat had decided he wanted it as his personal residence and we agreed as you pretty well must with the president of a country that we would give it to him for exchange of another property of equal value and location -- which, of course, we never got. In the interval the Egyptians demolished the lovely Georgian type house that was on the property and Sadat decided he didn't want to live there anyway as it was too close to the university, so he gave us back the property but it no longer had the house. I think we may have finally built on it, but it was a typical tarantula and the frog crossing the river...

Q: This was before the major war, '67 war, but what was the view of Israel and what we were doing there from our Embassy in Cairo at that time.

DWYER: I don't know whether I could say that the Embassy had a view in that sense. Certainly the traditional career officers who were specialists in the Arab world were attempting to fight

what was even then recognized as a defensive battle against giving too much away for free to the Israelis. As a matter of fact that was one of the reasons, the question of Israeli politics, that Luc Battle came out as Ambassador. He had previously been Assistant Secretary for Cultural Affairs and therefore he was acceptable to both sides -- the Israeli and Arab.

He almost didn't make it because we got the request for the agrément in the middle of the night [these things come in under the Agrément Channel and my job consisted of getting up in the middle of the night and going in to see all of these highly classified things that Washington would send out in the middle of the night because no ambassador or minister was going to take more than a month of coming in in the middle of the night before they handed the job over to me. Ninety-nine percent of it was, of course, absolutely useless and there was nothing you could do anyway in the middle of the night.] I got the request at 3:00 in the morning and looked at it -- we had been expecting something so I didn't know whether to get Bill Boswell out of bed or not. So I compromised and called him and told him we got the message we had been looking for. I said that there was nothing we could do about it now. He said, "Well, I would kind of like to know so, would you bring it over on your way home." Which I did. We talked about this new man Battle and looked him up in the Stud Book and discovered that neither of us knew much about him.

Q: Stud Book I might add is the Biographic Register.

DWYER: I went home and he went to bed. At about 4:30 in the morning I got another call and I go into the Embassy and a cable in the Agrément Channel says to take no action on the first message. I sat there saying to myself, "Is there any way that Boswell could mention this to someone -- on his way in to work might he meet the Foreign Minister or somebody -- maybe I had better call." So I called him and said, "Bill, don't take any action on this, we got a telegram in." He said, "What does it say?" I said, "It just says to take no action on our previous telegram." He said, "Let's see it." So I went by.

To make it short, Senator Fulbright had decided that Luc Battle had been the only decent Assistant Secretary of State for Cultural Affairs that had ever come along and far superior to anyone likely to be there and he thought that was important. He felt Luc Battle would foul up his career if he went out and got involved between the Israelis and Arabs. According to Luc, he told me afterwards, Fulbright was trying to do him a favor by holding up his appointment -- but he sure had us going around in the middle of the night.

Anyway, as far as Israeli policy was concerned, or Arab policy was concerned, Battle, as I say, was chosen, at least in part, because of his independence from both sides. Cairo, in those days before the recognition of Israel, was still very much the leader of the Arab world. It had an enormous film industry. The Egyptian dialect was almost a lingua franca in inter-Arab media and Egypt had a powerful influence culturally and historically on the rest of the Arab world which was one of the reasons why we had the extensive staff in USIA and the Library of Congress and Agriculture and everybody else out there. So that was important to us to influence, I suppose, to the extent we could. They burned the library down around our ears one Thanksgiving morning so I don't know how much influence our cultural activities had there, but certainly this was a point.

The years have gone by too fast for me to remember what in the '60s we were specifically trying

to achieve. I think one primary objective concerned irrigation from the Jordan River, for example. While I was in Egypt, my wife and I decided we had to take a look at Israel after this many years in the Arab world so we went over and spent 2 1/2 weeks there. I think we put something like 3000 miles on the car and Egypt is not a very big country. I don't know many roads that we missed. But we couldn't find the Jordan River. We were at the Sea of Galilee, going all around it, did it twice. Finally I realized that this little trickle going under a bridge that looked like something that went across a golf course stream at home was the Jordan River. It was incredible that we had been spending so much time on what amount of water we were going to allocate between Jordan and Israel.

Beyond that when you look back on it, of course, before the '67 war and before the capture of Jerusalem, it was almost a high point in the Arab world in terms of land and containment. Lots of which has since gone by the books. But basically for those of the Embassy staff, if you could say that they were subjected to the usual flyinitis [ph] that affects Foreign Service Officers by which I mean the tendency to support the country you are in, I think it was largely and pretty solidly linked to trying to keep a more or less even posture. At least up and till the famous "Let the Americans drink the waters of the Red Sea" speech of Nasser in the summer of '66. That I would say was about the time that things begin to go down hill. That and the fact that they had arrested one of the American diplomats at the Embassy and held him for a day and then kicked him out. Then we had the dumbest military attaché in God's green earth there who was not allowed access to Limited Distribution telegrams...

Q: Which is the lowest of classifications.

DWYER: Well, he had managed to get himself arrested with one of his junior officers, he was Air Force actually, in a station wagon. He had been on the desert road from Cairo to Alexandria, which went right by a Egyptian military base, and whatever he thought he was doing, I don't know, but he was out there with a 600mm lens or something, up on a hill -- why he thought he could do this unobserved with his young captain, who knew better, I don't know. After finishing with his snapshots they continued driving along the road because they were supposedly en route to their summer house down in Alexandria. They found the way blocked by an armored personnel carrier with a tank in front and in back. It was a Saturday afternoon and I served in that case and several other cases as the expendable Foreign Service officer. Nobody wanted to touch this thing. The political section said, "They were stupid enough to get themselves into position, let them get themselves out of it." The Station people didn't want to have anything to do with them. The rest of the military were not going to do any good, so I was told to go down and see what I could do.

I drove down and there they were in there car -- they had locked the windows and refused to get out. I met one of the most angry Egyptian Brigadiers that had ever been my misfortune to encounter. Frankly I kind of sympathized with him, because I think he was not so much angry with these guys taking pictures because that is what military attachés are supposed to do, but for being so damn stupid and blatant. He said, "Now good, you are here from the Embassy you can witness me rip that automobile apart and haul those guys out of there." I said, "No, wait a minute, you know it is Saturday afternoon and we haven't gotten a hold of Washington yet (which was not quite true). Don't do anything that you will later regret. You could be a colonel

again before you knew it if you made a misstep here. By all means check with Nasser's office out there and call so and so because our Ambassador had been in touch with him. Just don't do anything for awhile. These guys are not too bright, besides what could they have possibly taken pictures of -- we know what armored personnel carriers look like, and everything else." He finally decided to sit on it and we went back and the Egyptian government said, "Well, kick them in the fanny and tell them not to do it again." It could have been a nasty thing. Still in the Arab world -- if you do not except, as one would in the Western world -- you can usually find a way to work around these things.

Luke Battle was a tremendously even tempered person. I saw him angry only twice. At this time he called the guy in and said, "You know, you have just come back from a conference in Germany where you and I both were lectured on satellite and U2 capabilities (the aircraft) of taking close-up pictures as if you were standing inside a place. What a stupid thing for you go do." That was when the guy no longer had access to Limited Distribution telegrams.

We had a problem with an Agricultural Attaché, but there too, the Egyptians helped us. It was a corruption problem where he was smuggling money out of the country. I was still in Syria when it happened but he was our Agricultural Attaché for Syria too. I couldn't figure what he was doing coming through as often as he was. It turned out he was smuggling Egyptian pounds for rich Egyptians and selling them on the Lebanese pirate market. An Egyptian farmer came to us at the Embassy and told us what he was doing so we got him out of there. Bill Boswell, who had been head of security in the Department before he came out, was just absolutely furious at this. It turned out that there was not much we could do. The attaché lost his \$15,000 a year job. We should have let him sit there for another year in hopes that he would not declare it on his income tax -- but he did declare it so he walked away with it.

But that was another case where the Egyptians accused an Embassy employee and arrested him, an American diplomat, on the basis of bribing Egyptian officials. All of this was worked out pretty well with the Egyptians.

Q: You left Cairo in 1966. Is there anything else we should touch there?

DWYER: No, I can't think of anything else.

ROBERT BAUER
Cultural Affairs Officer, USIS
Cairo (1963-1965)

Public Affairs Officer, USIS
Cairo (1965-1967)

Mr. Bauer was born in Austria. During the Nazi period he was a devout anti-Nazi, and worked with the French in providing anti-German broadcasts to the world. He came to the United States in 1939, working initially in Cincinnati

broadcasting to Europe, and subsequently with the USIA and Voice of America. During his career with USIA Mr. Bauer served in Vienna, Teheran, and Paris, and in Cairo and New Delhi he served as Cultural Affairs Officer. In Washington, he was the first Director of USIA's Foreign Press Center. Mr. Bauer was interviewed by Cliff Groce in 1989.

BAUER: Then suddenly I got a phone call: would I be interested in going as CAO to Cairo?

Q: And you said yes.

BAUER: I said yes. Jim Halsema was then the PAO. My predecessor was John Slocum, who got the job upgraded to first secretary of embassy as a diplomatic title instead of attache. So I got that one, and I was there from '63 to '65. Then Halsema left and I became the PAO. And Lucius Battle was the ambassador, for whom I had worked in the State Department, but he had nothing to do with my assignment there. But we found each other again and became very good friends. I was there until the war.

Q: I want to hear how you approached the job in Cairo, because the whole problem of U.S. relations with Israel and the Arab countries is--I just don't see how an American can successfully deal with an Arab audience, given our connection to the Israelis, even with the greater cooperation or fellow-feeling between the Egyptians and the Israelis.

BAUER: As you know, if you are in the USIA you don't deal with the foreign minister or the deputy foreign minister. That's for the political section. We had a wonderful library in Cairo and in Alexandria. We had English-teaching programs. We put out quite a bit of written materials. We had a Fulbright commission, a very big one there. So it was a very big program. This was now even before Sadat. It was Gamal Abdel Nasser at his worst.

Q: That's my point exactly.

BAUER: There were two levels. The one level was the official one, you know, regarding Israel. You have to defend yourself. The second level was the one in which they would tell you privately, "Frankly speaking, we couldn't care less about what's happening in the Sinai peninsula." They were much more interested in getting another PL 480 agreement and food from the United States, and they didn't want to get into another war. Officially, you had to do all the right things. You had a lot of contacts. We would give parties, my wife and I, and because we were the cultural affairs types the Egyptians could come to our home. Of course, they had to report afterwards. We all knew that. Our people had to report, too. But sometimes when we had a cultural presentation coming in, we would have a cocktail party for a hundred Egyptians and 95 would come.

Q: That's very impressive.

BAUER: To show you--when I was PAO, the '67 war came, and after a country team meeting we

evacuated the dependents. If there was no war we'd bring them back. Athens was the main point (of evacuation). The staff and I were there, and we operated. I agreed with the chargé d'affaires--we had a new ambassador who had not presented his credentials yet; he never could, because the war came along--that I would give a cocktail party for the enormous number of journalists who came over--like the vultures, you know. (Laughter) I had this wonderful PAO residence, with a big garden.

I'll give you two items of interest: the man who later became Egypt's ambassador here, Ashraf Ghorbal, a very fine gentleman, was then in the foreign office and I dealt with him quite a bit. There was a peace mission supposed to go--Nasser appointed Zachariah Mouaheddin to go to America--the crisis was already on--to Washington on a peace mission, to see whether something could be arranged. They first had thought that Vice President Humphrey should come over, but that didn't work out.

I was a member of a club there, with swimming pool and so forth, and one morning there I got a phone call. The foreign ministry wanted to talk to me. I walked in, and all the other foreign diplomats said, "Oh my God, what are you going to hear?" I walked in--this was the day before it happened--and it was our friend Ghorbal, who said, "Look, you know I'm going to Washington, and I'm probably going to stay there for a while, and I understand that you have a house to rent in Washington. Can I rent it from you?" I said, "Look, that is awfully nice of you. I don't know whether you will find it suitable. My sister-in-law lives in Washington. Here is her name. She has all the details. When you get there you phone her. Good luck, and I hope you like the house and you get the house. In the meantime, good luck on your mission." I walked out, and they were all standing there, and I made the stupidest remark. I said, "Well, the war has been postponed. This man is going to Washington and is going to stay in my house."

The next day the cocktail party was scheduled to be held, with my secretary playing the hostess, since my wife was evacuated. The embassy people came, and the Egyptians streamed in by the dozens. That morning the war had started--boom, boom, boom. We were all standing there properly dressed to go with Ambassador-designate Richard Nolte to the palace to present his credentials to Nasser. Well, the presentation was canceled.

I didn't know what to do about the cocktail party, but said, "Let's see what will happen". So in the afternoon all the Egyptians came. In the meantime, McCloskey, the State Department spokesman, had said, "We're keeping neutral in spirit and in action." They came, and said, "You are going to play a wonderful role, because you can be the mediators." Suddenly, bingo, another air raid alarm. We had this big garden there in our PAO residence, and suddenly we saw two Israeli jets cruising like observer planes over Cairo. The Egyptian ack-acks started, and the worst thing was that some of the shrapnel fell into our yard, so we moved the cocktail party quickly into the house.

Q: I guess you would!

BAUER: That night came the moment when they concocted the lie that the U.S. and British air forces--by the way, I found out later from an Egyptian friend why they felt that way, and I've never heard it otherwise. It was considered that it would take the Israelis returning from a sortie

about 12 to 14 minutes to reload. According to that story, they had refined it to two minutes and 30 seconds. Consequently, when this continuous wave came, they came to the conclusion that it couldn't be the Israelis alone. That was the theory.

So then we had the break of relations, which was fascinating. We were told that relations were broken and that the Egyptians were coming over to the embassy. We stood there to receive them--Ambassador-designate Nolte and I--and the delegation from the foreign ministry came in, and they first greeted me and said, "Oh, Dr. Bauer, I've always enjoyed your English-teaching classes and your library." That's how the relations break began, with this very nice statement.

Then it became nasty. Ambassador Nolte asked me to move into his residence. Then the mob actions began. And finally the evacuation was arranged. That night we were transported to the railroad station and went on a special train to Alexandria, where we were kept by the Egyptians on a very hot day in the Alexandria harbor with nothing to eat and nothing to drink. We were under Spanish protection. I had had to preside over the hoisting of the Spanish flag over the American embassy.

If you ever come to Woodstock, New York, where I have my summer home, I have the Spanish flag hanging there, because eight months later I came back to Cairo on a mission for USIA, and our interests section there, the administrative officer told me they had just exchanged the flag for a new one and that I could have the old one as a memento. So I still have the Spanish flag hanging right there in Woodstock. (Laughter)

A Spanish colonel, Morales, went with us as protector, and the Egyptians said they did not recognize U.S. diplomatic passports. The little Spanish colonel exploded and read them the riot act, and they said, "All right, we recognize the U.S. document." And then we went on this little immigration boat up to Athens, and just outside the territorial zone we saw the most beautiful sight you've ever seen: an American destroyer waiting for us. We had on the boat the foreign correspondents. My friend Dick Helgerson, the Information Officer in Cairo who became Information Officer in Athens, was in radio conversation with us, already arranging for interviews by the newspaper people when they got there.

That's when our chargé d'affaires, Mr. Nes, gave the famous interview that cost him his job. He was a career officer, who accused the Johnson administration of having bungled the whole affair--which a career diplomat normally shouldn't say. He gave it to Tom Fenton of the Baltimore Sun, having been himself from Baltimore, and that ended his career.

One other thing happened. They burned down our library on Thanksgiving Day, 1966. Those were African students who protested against our helping in the former Belgian Congo. Remember our airplanes helped get the people out of Katanga, under Johnson's orders. So of course with the connivance of the Egyptian police, they marched up to the embassy on Thanksgiving day, caught a few Marines there who just had to hole up, and set fire to the building, particularly my area, with the library and my office, which was completely burned out. The only thing saved was my appointment by President Kennedy to the foreign service--which I also have hanging.

I must tell you a very funny story. I had not known what was going on. We had been to the Thanksgiving church service and then all went home to various Thanksgiving dinners. Then I had to go to a Coptic wedding. We drove down, and suddenly my wife said, "That's funny. I hear sirens going. There must be a fire somewhere." Off I went to the Coptic affair, and then later on there was a reception by the cultural affairs officer of the German embassy, who became a good friend of mine. I said, "Well, let's go over there for a moment." I walked in with my wife, and they looked at me, and the German ambassador was the first to speak. He said, "It's so nice of you to come tonight." I said, "Well, Mr. Ambassador, it's my pleasure." The cultural affairs officer said, "No, really. That you could find the time, under the circumstances." I said, "What the hell is going on? I was at a Coptic wedding--" "You don't know?" "Don't know what?" "Your embassy is burning." (Laughter) Boy, I was out in a jiffy! Straight down to the embassy.

Q: What an experience!

BAUER: Oh, absolutely. Of course, we rebuilt the library again, and the Egyptians immediately came through, giving us a building which they had stolen from somebody--sequestration, or whatever they call it. Then we reopened the library, and called it the John F. Kennedy Library. Charlton Heston was there at the time, on a tour for the State Department. He had dinner at my house, and I said to him, "Would you do me a favor? Tomorrow we have the opening of the library. How about you reading the John F. Kennedy inaugural address?" He said, "Surely. I'll do it." So that was a star performance.

Q: An auspicious beginning.

BAUER: And it's still working very well. We immediately had the people coming in. And later, after that terrible war, when we were thrown out, we were reestablished very quickly.

Q: How long was the library out when it was burned?

BAUER: Since we had to redecorate the building we were given, I think the whole time was about eight or nine months, maybe ten months. And the Egyptians came to the opening, the Minister of Culture himself, and so forth. On second thought they didn't think it was very funny, what was happening. So, that was it.

THOMAS L. HUGHES
Director, Bureau of Intelligence & Research
Washington, DC (1963-1969)

Mr. Hughes was born and raised in Minnesota and was educated at Carleton College, Oxford University and Yale University. After service with the US Air Force he worked on Capitol Hill and became active in Democratic Party politics. He later joined the Department of State, first as Assistant to Under Secretary Chester Bowles and subsequently as Deputy Director, then as Director of the Bureau of Intelligence and Research, where he served during the event filled

period 1961 to 1969. His assignments brought him in close contact with the major political figures of that era. His final government assignment was to Embassy London as Deputy Chief of Mission. Mr. Hughes was interviewed by Charles Stuart Kennedy in 1999.

Q: How about Nasser?

HUGHES: Nasser had experienced his own ups and downs with Washington. The Kennedy Administration, as part of its interest in the Third World generally and in non-alignment, made a real effort to test the possibilities of a rapprochement with Nasser. A talented and friendly ambassador, John Badeau, was sent to Cairo. JFK and Nasser even had a personal correspondence. This interest and attention lapsed under Johnson, although I think it is fair to say that Kennedy toward the end also became skeptical about improving relations with Cairo. On his part Nasser was certainly disappointed with the new level of arms supplies for Israel which Kennedy authorized. Nasser's press chief in Cairo, all through the '60s, fretted publicly about Israeli nuclear weapons and the American role in giving false assurances and then looking the other way. You can argue that Nasser's preemptive temptations reflected a genuine concern on his part that we were at the end of the road on the nuclear question. That, as much as anything else, accounts for the Egyptian move to take advantage of the UN withdrawal in 1967 and to introduce Egyptian troops in their place.

Q: Did you find, because of this action, within the establishment, at least within the State Department, a change in attitude-- a different feeling about the Arab world and Israel?

HUGHES: There was certainly widespread recognition that the capture of Jerusalem, its emotional grip on Jewish feelings, and the probable Israeli determination to keep exclusive control of the city, added a whole new factor to the explosive Mideast agenda. This exclusiveness was bound to create huge problems for the Arab world and even the Vatican. Of course it also guaranteed that every US political platform from now on would be under pressure to endorse Jerusalem as the Israeli capital. The probability of Israeli settlements in Gaza and the West Bank predictably was another hornet's nest. Israel's attack on the USS Liberty also left a sour taste even with longtime American champions of Israel like Clark Clifford.

DAVID L. MACK
Fulbright Fellowship
Cairo (1964-1965)

Ambassador Mack was born and raised in Oregon and educated at Harvard University. Joining the Foreign State Department in 1965, he studied Arabic and devoted his career dealing with Arab and Middle East issues. His foreign posts include Baghdad, Amman, Jerusalem, Beirut, Tripoli, Benghazi and Tunis. From 1986 to 1989 he served as U.S. Ambassador to the United Arab Emirates. In Washington from 1990 to 1993, he was Deputy Assistant Secretary of State in the Bureau of Near East and South Asian Affairs. During this period, the major issue

was Iraq's invasion of Kuwait and the military actions that followed. Ambassador Mack was interviewed by Charles Stuart Kennedy in 1995.

Q: Then you took your Fellowship from Cairo from '64 to '65.

MACK: That's right.

Q: What does that consist of?

MACK: We had studies at the American University in Cairo in colloquial Egyptian Arabic. To this point all my Arabic had been very literary Arabic. They now call it modern standard Arabic, but it was even a little more classical than that. You took lessons in colloquial Egyptian Arabic, and you could take other classes, or you could work independently, do independent research. In fact, you could simply travel around. There was quite a large group of us at that time because the U.S. Government was working down a huge pile of surplus Egyptian currency and we were all supported by these surplus Egyptian *dinars*. I arrived in Cairo via Beirut, spent a couple of days in Beirut which I found very exciting. I stayed in the older part of Beirut, and it was quite an attractive place in many respects. Then I arrived in Cairo, I think in late August. I remember that the Nile was in flood. In fact, it was the last year of the full Nile flood before the high dam began to fill.

Q: The Aswan, yes.

MACK: It was historic to see it, and many streets near the river were flooded.

It was a real set back and blow to my ego when I tried to speak any Arabic. For the first time I had really tried to speak Arabic. Well, we vocalized in our studies with our teachers at Harvard the modern standard Arabic, sort of the official newspaper language and radio broadcast language. But I remember the first time I went out on the streets in Cairo and actually tried to speak Arabic. I went up to a newspaper vendor and told him in my best formal literary Arabic that I wanted to buy a copy of al-Ahram, the main Cairo newspaper. And he looked at me and responded with a couple of monosyllables in what I later learned was Egyptian colloquial, which I had not studied. I had this strange feeling of being able to read the front page of a newspaper, but not being able to buy one. It took me a very long time to begin to feel that I was communicating orally in Arabic.

Q: Were you using your Fulbright to further this?

MACK: Well, I was trying to spend as much time as possible with Egyptian students and others speaking Arabic. Of course, they wanted to practice English with me. I had one American friend who was there on a different kind of fellowship. She had studied colloquial in a very scientific manner, primarily at Georgetown, but had relatively little formal Arabic. Therefore, she could speak but couldn't read, except with great difficulty. I could read but couldn't speak, and she made very fast progress compared to me. I realized that Harvard had not provided me with the best language preparation. Meanwhile, in a rather desultory way, I was working on a project connected with the activities of North African independence movements in exile in Cairo. It was

a good project, but I didn't put as much effort into it as the Fulbright Foundation might have liked. I spent a lot of time traveling around the country, mixing with people. I really visited Egypt in some depth.

Q: While you were doing that, this was still high Nasser wasn't it?

MACK: Yes.

Q: What were you gathering from these travels about Nasser, Arab nationalism, and the United States and Israel?

MACK: Just to mention a couple of experiences. When I arrived our relationships were actually rather good, but they soon deteriorated and reached a very low point. Our ambassador at that time was Ambassador Lucius Battle. I got to know him in an unconventional way. Although I was very rich in terms of the Egyptian *dinar*, it was a non-convertible currency. I was flat broke as far as dollars were concerned. I desperately wanted to earn some dollars so that I could travel back to the United States at the end of my academic year via North Africa, since I was working on this North African research project. Someone from the embassy -- I think it was the cultural attaché -- recruited me to be a tutor to the children of Ambassador Battle; he had a son and a daughter. I was to tutor them in their basic studies, math and English, but also to try to enrich their lives by taking them to museums and teach them a little bit about Egypt, etc.

I got to know Ambassador and Mrs. Battle, and I had a sense of what the embassy was going through in its relations with Egypt. It was very, very bad in that dialogue was virtually cut off. At one point in late 1964, we had a serious rupture with Egypt over an issue that most Egyptians don't even remember. It was over the assassination of the then Congolese leader Patrice Lumumba, for which we were blamed. African students were allowed to enter and trash and burn the Cultural Center. Egypt was then very much of a police state, and such a demonstration would not have taken place without the acquiescence of the Egyptian police. Our relations were in a steady spiral downward after that.

At one point I was taking a train up to Alexandria, and I was trying to read the Arabic newspaper text of a speech that Nasser had given. This is a famous speech in which he says to the United States to go take its foreign aid money and do what it wants with it. Speaking to the United States, he says to go drink from the Mediterranean Sea, and if there's not enough water in the Mediterranean Sea, to drink from the Red Sea. Nasser's speeches were typically in very colloquial Egyptian Arabic. He'd start off in literary Arabic and then very rapidly go to the colloquial, speaking to the people directly. I was reading through this and asking for translation help from some of the Egyptian students on the train, and they saw that I was very unhappy with what I was reading. They said very reassuring things like, "Oh, he doesn't really mean it. We really like Americans." You know, Egyptians are very friendly, sociable people, and they were trying to reassure me that it wasn't really as bad as it sounded. Of course, I had difficulty understanding anyway what "drink from the Mediterranean Sea" meant. I didn't realize at the time that it's the equivalent of "go jump in the lake."

So I was there during this period of deteriorating relations over what seemed to be a side issue, and I realized based on conversations I was having, etc., that it was really kind of an excuse for their unhappiness over our relationships with Israel and the whole Palestinian question, which were the central things on their minds.

In any event I had a very good year there, and I really got to know Arabs on a person to person basis. I'd travel on third-class railway cars and rickety buses, or hitch hike on trucks down along the Red Sea with an Egyptian student friend. I went to parts of Egypt that few tourists ever see and became very fond of individual Egyptians, even if our governments were locked in a lot of bitter disputes. I was beginning to get a sense for where the Egyptian government was coming from on these issues, even if I did not always sympathize with its policies.

I was sick most of the time I was there. After the first month, I had diarrhea for the following eight months. From the start, I planned to live like an Egyptian. I would eat fruits and vegetables fresh and unwashed from street carts and other very foolish things. I remember once I had a buffalo milk and banana milk-shake made on the street brought around by someone with his donkey. I could have gotten much sicker than I did, but I did get very serious dysentery and long lasting problems with parasites. I went from 155 to under 130 pounds by the end of my time in Egypt. By the end of my stay, I felt weaker if wiser, but was sure that I would eventually get over it.

Cairo now looks very different. In those days there were few cars, and I never saw a traffic jam in Egypt. There was a lot of animal traffic, as well as over crowded trains and buses.

Q: What was your impression of Nasser's government? Was it delivering things down to the village level, or was this pretty much confined to an upper class?

MACK: Well, I don't know. I knew some upper class Egyptians, particularly Egyptian girls that I was currently dating and sometimes their families, and they certainly felt that they were being replaced by a class of bureaucrats and bourgeois. I could see that certainly there was clash and certain struggle and tension at the top. I was also very aware of the grinding poverty of the country, but I knew from my own studies that that was nothing new. It was something to which I probably became over-tolerant. For example, I remember after about six months of being there, simply walking around a body on the sidewalk and only thinking afterwards that it was somebody who was possibly dead. The poverty was everywhere, very apparent, and it was easy to begin to take it as being something that couldn't be changed, just sort of one of the givens of Egyptian life. I sensed a lot of popular enthusiasm for Nasser, certainly among college students, which in retrospect I think was very misplaced. I even marched with some of my Egyptian college chums in demonstrations for Nasser's reelection, chanting various slogans like, "Gamal Abdel Nasser is our father." I could see the hold he had on people, a sense that he embodied Egypt's nationhood.

Q: You then came back in '65, is that right?

MACK: Right.

Q: *What? Right to the...*

MACK: Yes, I came back to Washington, and entered the Foreign Service. I'd been sworn in, of course, the previous year but I entered my class I guess in June of 1965.

Q: *Well, being sworn in, did you get any feeling while you were in Egypt that you were considered a spy, or something like that? It could be a little tricky at that time.*

MACK: Oh, sure. It was. I didn't talk very much about my career plans with the other Egyptian students, because I realized that it could be misunderstood. I just made it clear that I was finishing my university years.

Q: *What did your family...particularly your grandfather feel about all this by the way?*

MACK: Well, my grandfather did come to my graduation, my Bachelor's graduation at Harvard. I remember this was a major trip for him because he was old at that point and not in good health. I took him for a walk on the campus and as we walked past the law school I remember him saying to me, "David, are you sure you don't want to go through law school? I said, no, no, grandpa, I've really made up my mind. I want to go on studying Arabic. And he said, well, I guess that's all right if you become an ambassador." Grandpa Mack had a very definite idea of my career! At that point, I hadn't even at decided to take the Foreign Service exam, but he had already decided. If I was going to study Arabic, there was only one thing to do and that was to become an ambassador.

HENRY PRECHT
Administrative / Consular Officer
Alexandria (1964-1966)

Deputy Chief of Mission
Cairo (1981-1985)

Henry Precht was born in Savannah, Georgia on June 15th, 1932. After graduating from Emory University with a degree in history, Precht joined the service, first working in Italy. After that, he was assigned to Egypt, the Arab-Israeli Desk (NEA/AE) as well as to various other posts in the Middle East and North Africa. This interview occurred in March 2000.

PRECHT: I left there [Rome] some time in February, 1964 and was assigned to Alexandria, Egypt. The State Department had not heard that most of the Levantines had been obliged to leave Egypt by Nasser's policies and they still thought of Alexandria as a French-speaking post. I had four months French training which I never used in Alexandria except with a few old ladies. I arrived in Alexandria in the summer of July 1964.

Q: *You were there from 1964 to?*

PRECHT: To August 1966. My job was consular and admin officer combined. There had been two junior officers before me and they abolished one of the positions and I replaced both of them.

Q: What was Alexandria like at this time?

PRECHT: It was like a lot of places I've lived including Savannah, Georgia, where people would say, "You should have been here yesterday." It was always better in the past than in the present. We lived in a huge house which was on what was then known as Sharia Lumumba, having had its name changed, after the Congolese leader had been assassinated, from Rue de Belgique. If you told a taxi driver either of those names he wouldn't recognize them, but if you said the Villa Coutarelli, he would know exactly where to go. Coutarelli had been the cigarette king of Egypt and had died after marrying a rather disreputable, it was said, Italian lady whom the family disapproved of. She was afraid that her huge house with an immense garden right around the corner from the consulate would be taken away either by the Egyptian government or by her husband's family. So, she rented it to an American vice consul for his housing allowance in order to safeguard it. And it worked, at least for us certainly.

Q: This was the height of the Nasser regime wasn't it?

PRECHT: That's right. Nasser had been through the enormous popularity of the Suez war and then he had socialized everything in Egypt in 1961. So, it was a time when the middle class Egyptians, particularly Copts, were very uncomfortable. Lower class Egyptians were still favorable towards him. But, those who had some money were feeling very squeezed. It was very much a police state. It was a one party, one man show.

Q: How was the American presence seen there?

PRECHT: Not badly. We had a number of friends at the university. I had a very good friend who was a journalist and another who was in the Arab Socialist Union. But, nothing went on in Alexandria. All the decisions were made in Cairo. So, it was not a place of political importance. Our consul general was a rather formal and stuffy old line man.

Q: Who was that?

PRECHT: David Fritzlan, who was an Arabist and used to send in air-grams based on what his language teacher would tell him during the day. That was the depth of the reporting. Our economic officer, the number two, was equally an old line Foreign Service officer standing on his dignity. It wasn't a very venturesome place. My wife and I traveled as much as we could, picnicking in the desert or visiting villages in the delta. We went to Sinai once. But, we didn't leave Egypt very often. Once I turned down a trip to Beirut because I figured that was an artificial life. Oil people went over there and got apples and peanut butter and I thought we should stay in Egypt.

Q: As a consular officer what kind of work did you do?

PRECHT: We didn't issue immigrant visas and very few non-immigrant visas. We had a small American community so I had a fair amount of work. I guess most of my time was taken up by administrative officer's work. A lot of that was looking after the official residence and Mr. Fritzlan and his British born wife, as well as the consular building, and wrestling with the embassy in Cairo to get what we needed. It was not easy dealing with Cairo. Whenever I had time, I wrote political and economic reports which seemed to be fairly well received in Cairo and Washington. They were always air-grams. We didn't have anything but a one-time pad to report anything on an emergency basis [via cable].

Q: What types of economic activities were going on?

PRECHT: Well, Alexandria, of course, was a big port. Cotton was the major foreign exchange earner for Egypt and that was monitored there by our economic officer. But, Egypt was rather a depressed place then. As I mentioned, businesses had been nationalized and there was no foreign investment. It was a stagnant economy I think you would have to say. The population was growing as it has in Egypt for decades in this century.

Q: Were you followed?

PRECHT: The phone system worked so badly everyone said it was because the Egyptians were listening to us. I figured it just worked badly because it was decrepit. I don't recall being followed. Although, there certainly was the belief that the secret police were omnipresent and were watching you somehow. So, you had to be very careful in that regard. Just the number of police in the streets gave one the feeling that this was a very different kind of society.

Q: Did you get many American tourists?

PRECHT: Very few in Alexandria. We had the occasional cruise ship which would come in. I once had a dead body on a cruise ship.

It was a time of increasing tension between our two governments. The Egyptians shot down an unarmed American plane in the Delta which caused a certain tension in our relationship. The plane, possibly an oil company plane, refused to land when directed and the Egyptians shot it down, it caught fire and I had to deal with the dead bodies of the two pilots. We cut off aid and things were building to a crisis. But, still we had friends and my contacts were not affected by the official deterioration in relations.

Q: Was Israel thrown into your face all the time?

PRECHT: Yes. You couldn't say the word Israel. There was a great hostility towards the Israelis even among the moderate Egyptians. There were still a few Egyptian Jews, mainly old people whom you would see occasionally. They would come to our Fourth of July reception. But, basically, Israel was anathema for all the Egyptians we were in contact with.

Q: What was your impression of the embassy?

PRECHT: When I served in Rome I had a feeling that I was having a wonderful work experience, and it indeed was that. The people on the embassy staff in Rome were just first rate. I had the greatest admiration for every officer at every level from the ambassador on down. As I look back, I don't think I was wrong. In Cairo, I knew the officers less well. The ambassador, Luke Battle, I certainly had admiration for him and he liked me as well. David Nes, the DCM, I have a great deal of admiration for him. Don Burgess was Political Counselor at first and I thought very highly of him. I didn't know a lot of the others. My contacts were mainly in the administrative section with whom I was forever wrestling to get things for our post. I can't remember any of them who I deemed not up to their job. They seemed to me truly in an elite class. I wasn't as enthusiastic about the people I served with in Alexandria and maybe if I had known the people in Cairo better my opinions would be different.

Q: Well, Alexandria for us was the equivalent of the Italian's idea of Venice.

PRECHT: That's right. It was a parking ground for people for whom no other job was available.

Q: Were you intrigued with the Middle East?

PRECHT: Not really. When it was time for me to go, an inspector said that I had done very well there and why didn't I sign up for Arabic, a two-year course. I said, "I am not coming back to this region. This assignment is it."

Q: Henry, we talked about how you did not get an ambassadorship to Mauritania but subsequently went to Cairo. You were there from when to when?

PRECHT: The summer of 1981 to the summer of 1985.

Q: And you were the DCM?

PRECHT: I was the DCM.

Q: Can you describe what you picked up about our relations and embassy in Cairo before you went out there.

PRECHT: People who have been following these tapes will know that I served in Egypt before in 1966 in Alexandria and then worked in the Near East bureau 1967-69. But, I had no real contact with Egypt since then, having worked on Iranian affairs which were quite absorbing. I had kept in general touch with Egypt through the newspapers but not in any detail at all. So, when I went back in 1981, it was a return to a place that I was familiar with

but in effect was a different country. When I left Egypt you couldn't say the word Israel without provoking an argument. When I got there in 1981 Israel and Egypt were at peace with each other and Israel was being treated more or less like a normal country. The embassy in Cairo was completely different. Of course, Egypt had grown. When I left Egypt in the '60s I think Alexandria was two million and Cairo was four million and Egypt itself was something like 23 or 24 million. When I came back, Alexandria was around four, Cairo around 12 and the country itself was pushing 40 million. There was also a change in the vitality of the country. Under Sadat the country had had a kind of opening up and capitalist boom. There were a lot of Mercedes on the streets. We loved Cairo. It is a city of dirt and noise, crowd and confusion, but it is perhaps the world's only functioning medieval city.

We could have lived out in Maadi, a suburb, but we didn't have any children. Our predecessor had lived in a large house there owned by the Department of Agriculture. He commandeered it and I earned the eternal gratitude of Agriculture by declining to live in it and opting for a two bedroom apartment in town. After a couple of years, my wife found it too small and we moved into a larger apartment in Zamalik. We wanted to be in the middle of the city. I could easily walk around the city – if I could escape the guard who was with me 24 hours a day.

Q: I'm told also that the Egyptians are a pleasant people to be with. Is that true?

PRECHT: Absolutely. They can laugh at you, but also at themselves. They have plenty of grievances with the past but they don't get hung up about them. In Iran you always felt the tension of the people. I describe it as the difference in the traffic. Tehran traffic was Hobbesian - the war of every man against every man. In Egypt it was kind of a joke. If you smiled at somebody, they would let you go ahead. That would never happen in Iran. In Egypt, traffic regulations were generally ineffective but I found that the symbol of authority in Egypt was the hand held radio. Whenever I would go to a meeting being driven in an embassy car, my Egyptian guard seated in the front seat would simply hold up his radio when we came to an intersection and the way would be made clear for us. You could drive on the sidewalk holding up a radio and nobody objected. My biggest regret after four years in Cairo was that I spent so much time, practically every day, in the American embassy rather than in Cairo delving into its Pharaonic or Islamic past. My wife, having little to do when I didn't come home until very late, took courses at American University in Cairo on Islamic art and architecture which we benefited from on the rare occasions I could get away from the office.

Q: What were relations like between the United States and Egypt during the time you were there?

PRECHT: In the summer of 1981, Sadat had been in power more than a decade. He had made peace with Israel, was a great friend of Henry Kissinger, and had been a better friend of Jimmy Carter at Camp David. He was still in power and we had excellent relations. What I hadn't understood from my reading of the New York Times and short briefings in Washington before I went out was Sadat's standing in the community. We thought he was our man and fine with the Egyptian people. On arrival, I sensed a different kind of attitude among Egyptians I met. We arrived in June. Late in the afternoon we settled into our

apartment overlooking the Nile and were having a drink on the little balcony as the sun set. I got a call from the embassy security officer who said, "I hate to introduce myself this way, but a mob of armed religious fanatics is believed to be marching on the embassy." Having thought Iranian stress was behind me, I thought, here we go again. Fortunately the mob got lost in Cairo traffic or the report was erroneous because they never arrived at the embassy. At that time friction between Muslims and Christians was reported in the press. Christian shops were burned. It was a strange thing because there had not been that kind of tension before. A lot of people questioned whether it was real. Some thought maybe Sadat was provoking strife in order to justify a crackdown.

A couple of weeks or so after I arrived, the ambassador took me to call on Sadat. He had a residence in Cairo but he also had a residence in the village where he'd been born. It was a large new and modern compound constructed outside a traditional mud brick village. We drove down into the delta to see him late one day. The ambassador introduced me and we had a talk and then a helicopter was heard overhead. It arrived bearing the vice president, Hosni Mubarak. Sadat and the ambassador did all the talking and the two number twos remained silent. It was an interesting meeting, particularly to me because I had no idea how Americans and Sadat worked together. Sadat told Atherton that he was going to make a trip to Washington in August for his first meeting with Reagan and he would be interested in advancing the Camp David negotiations. Before Jimmy Carter left office all negotiations had come to a halt. Egypt was isolated in the Arab world and there was no movement on the Camp David process addressing the Palestinian issue. Sadat wanted to restart negotiations. He felt he needed that kind of energy to maintain his popularity in the Egypt and regain a position in the Middle East. He told Roy Atherton that when he went to Washington he would describe to the Reagan team what he wanted to achieve in negotiations with Israel and, on a very secret basis, what he would be willing to accept. That meant we would know his fallback position in advance so that we, as the honest broker, could work between the Israelis and Egyptians and have complete backdoor cooperation from Egypt in order to make some progress with Begin, the Israeli prime minister. This astounded me that he would be taking us into his confidence that way, but that was the way it was going to be. He was going to look for a very intimate relationship with Reagan - as he had had with Carter.

So, Sadat went off to Washington with Roy Atherton accompanying him. When he came back I was told by Roy that the Reagan administration wasn't interested in any kind of negotiation and, in effect, gave Sadat the cold shoulder.

When it took office the Reagan administration baffled most of NEA Arabists with their position that they were going to make Israel a "strategic partner" in their struggle against the Soviet Union. Alexander Haig, the Secretary of State, was very much a cold warrior and for the Reaganites the overriding concern was to arrest or roll back Soviet power. Israel was going to be an asset for them in that struggle and the Arab states would be asked to join this new holy grouping against the Soviet Union. We thought the chances of that were extremely slim, but, that was their position. Haig and company were not terribly warm towards Egypt, for Egypt obviously wasn't going to divorce itself completely from the Arab World it once led.

Sadat came back from Washington disappointed in his efforts to woo and coax a warm relationship with the Reagan administration. I think he must have realized that the magic was running out of his time in office. He was slipping in the popular mind. He wasn't producing new thrills and promises for them and life for them - and for him - was going to be difficult. He also sensed the rising Islamic tide and hard days ahead without a helpful American friend to assist him.

My theory is that in reaction to the cold treatment in Washington, he realized he had to do something drastic to control his country. He couldn't charm his people any more and lead them to the Promised Land they hoped for. He began to arrest people who were deemed his enemy. He put anybody who had an Islamist tinge in jail and to balance that he jailed some Christian Copts as well. Coptic Pope Shenouda was put under monastery arrest, being confined to his place in the desert between Alexandria and Cairo. Journalists who were critical of him were locked up. Anybody who was suspected of less than complete loyalty was thrown into jail. It was a real crackdown. Nobody was shot, just put into handcuffs. It was a tense time.

Q: Were we doing anything?

PRECHT: No, we were not protesting. It wasn't something that we could second guess. I thought it was odd and not likely to be productive for very long, that kind of behavior, but what could you do? Sadat wasn't the kind of person you could advise on matters of internal affairs.

Q: Did the specter of Iran weigh heavily on our policy there? There seemed to be a parallel.

PRECHT: It weighed heavily on me. I can tell you, I was determined that we were not going to make the same mistakes in our embassy in Cairo that we did in Tehran. Let me just say, Roy Atherton, for whom I had worked when he was chief of the Arab-Israel desk in 1967-68 and whom I had known well since then, made his career as a negotiator of Arab-Israel peace. He had been assistant secretary for the Near East, negotiator for the secretary and now ambassador to Cairo. He looked to me for the day-to-day running of the embassy. We had huge AID and military missions. I was experienced in dealing with military missions so was heavily involved with them, but to a somewhat lesser extent with the AID program. We had a consulate general in Alexandria which was under my jurisdiction. So, I had a very full plate. I took a key interest in political affairs, particularly since I had been a political officer and also because I didn't want a repeat of the Iranian mistakes in Egypt.

When I arrived, the whole senior staff of the embassy turned over. We had new political, economic and admin. counselors. Practically every other position in the embassy was also filled with new people. So, it was a fresh new team, and a very good team. We had a strong embassy, I think. There were very few, if any, weak spots that I can recall.

At any rate, my instructions to the political section and the economic section were to monitor what was going on with the population of Egypt. I asked one junior economic officer to be constantly concerned with the average Egyptian's well-being. Once she did a survey of the

price of bread showing the cost of various loaves and how much the average Egyptian's income was used for the staple. There was some thought at the time that - at our urging - the government might increase the price of bread. I encouraged the political section to get out and talk to sheiks and they did. We had several excellent Arabic-speaking officers.

Q: Who were some of your officers?

PRECHT: Mark Hambley was the "Lawrence of Arabia" of Cairo. He was our internal affairs officer, arriving from Saudi Arabia. Speaking excellent Arabic, he did extremely well on the street, getting an understanding of what was going on, especially among the Islamic groups. Tom Carolan was the political counselor. Dan Kurtzer was the skillful Arab-Israel negotiating backup to the Ambassador. Doug Keene and later Edmund Hull were the political military officers. Dave Dunford was the economic officer. Shaun Donnelly and Liz McKune worked for him. They were a splendid bunch of people. Six of the eight I named made ambassador; the other two were DCMs and Consul Generals.

My job was also managing the embassy. One of the things I started to do was to pay attention to the local employees. Many of these employees had been with the embassy for several decades and they had been there when relations were broken in 1967 and restored in 1974-5. That was a very difficult time for them and I thought they deserved some recognition. I would hold meetings with the senior locals to discuss their grievances and problems and then see what could be done in Washington.

Earl Bellinger was the administrative counselor and he shared my perspective. I think we had an effective embassy although it was a huge embassy, perhaps the world's largest. Cairo is an extremely difficult place to get things done. I thought we should have a resident plumber in our apartment because nothing ever worked for very long. There were lots of complaints, but we did our best to resolve them.

To return to Sadat and his troubles, they came to a head, I guess you would say, on October 6, which was the anniversary of the outbreak of the 1973 war. Roy Atherton, with all the other ambassadors, went to witness the celebratory parade from the reviewing stand seated behind Sadat. I, as normal, came into the embassy to work, although the embassy was closed. I turned on a TV set to watch the proceedings while reading cables, etc. Suddenly I suddenly saw the TV start spinning about and heard "pow, pow, pow." Then an announcement came on in Arabic and the television went dead. I called Eleanor Hicks, who was an Arabic language officer in the political section. I said, "Eleanor, were you watching the parade on television? Did you see what I saw? Is there something wrong with my set?" She said, "No, that was on my set too." I said, "Then there is something wrong out there at the parade, so you had better come into the office." I called the op center about 10:00 AM Egyptian time and probably 4:00 or 5:00 AM Washington time. I said, "I am not sure what has happened, but it seems to that there may be some trouble at this parade and I want to alert you that we face a crisis." He said, "Okay, we will stand by." Then I tried to get through via the Marine guard who had a radio connection with the ambassador's guard. The ambassador and I had cars and guards equipped with two way radios. I tried repeatedly to reach him but there was no answer. Finally, we got through and Roy sounded shaken. He told me that shots had been

fired into the stand and he couldn't tell who had been hit. He didn't see Sadat or Mubarak, but he saw a couple of other people who were down, wounded or killed, including a Coptic Bishop and an Australian diplomat. He was on his way back to the embassy. Then, I called and relayed that to the op center and was told I should speak to the secretary. I spoke to Haig, woke him up, and told him. He said, "Please keep me informed." I said, "I will."

After that we kept an open line with Washington because they were keen on knowing what had happened. When Roy Atherton got back to the embassy, we organized an alert and called in all the Arabic language officers, the senior officers and the security staff to get out and learn exactly what had occurred. The Egyptian radio was saying nothing and we had no way of knowing what had happened. When the staff arrived at the embassy I sent them out to police stations, hospitals - wherever they might find information. But, Washington woke up a few hours later and then we really came in for a siege. We had this open line with Washington and they were relentless and demanding that we tell them what had happened. Well, we had no way of knowing what had happened. Roy Atherton was calling all the ministers he could reach without any luck. No one would say anything. Few would even return his call.

Then, we got the call from the Minister of Defense Abu Ghazalla who told Roy that Sadat had been slightly wounded, but was okay and Mubarak had been hit in the wrist and he was okay. The government would be making an announcement soon assuring the world that everybody was safe. It was a flat lie, I suppose because the Egyptians wanted to get their own ducks all lined up before making an announcement of Sadat's death. I relayed what we had been told to Washington. Washington was getting more and more frantic as the press bore in on them. Meanwhile, we were beginning to get bits of information from unofficial sources. That is, from somebody who was a policeman or a doctor's brother-in-law, etc. saying something bad had happened to Sadat. About 6:00 p.m. the Egyptian television began to play funeral music and then a sheik came on to chant Muslim prayers for the dead. It became obvious what had happened. So, I informed Washington of that. Then there were some remarks from Mubarak explaining that Sadat had been killed.

The Muslim custom is to bury people within 24 hours after death. The funeral was going to be the next day. They got organized in Washington and we got organized in Cairo. We took over an entire hotel near the airport. Washington sent over a planeload of VIPs and a planeload of press. Top people arrived from every other country. Anybody of any significance seemed to come. My wife went to work with the protocol officer for the dinner after the funeral. We got the list of who was coming and an embassy officer was assigned to each of them as control officer. There were great stories out of that whole experience.

Q: I would like to catch a little flavor of that.

PRECHT: There were two women in the entourage, Jean Kirkpatrick, ambassador to the UN and Mrs. Annenberg, who was chief of protocol. I assigned Eleanor Hicks to one or both of them and she was in attendance when Mrs. Annenberg asked her to open a coke can because she had long nails and didn't want to break one. Eleanor Hicks, a political officer who was black and a former jazz singer, said, "I don't do coke cans." The next item for those ladies

was an announcement that only the men would attend the funeral. Moslem men visit the males of the family of the deceased, drink a cup of bitter coffee with them and walk behind the casket a short way to the burial site. Women do not attend. Women of the bereaved family do not attend. Ms. Kirkpatrick and Mrs. Annenberg said they were going to the funeral because they were official representatives. It took Betty Atherton, marvelous diplomat that she is, to convince them that they could be a great help to Mrs. Sadat, going to call on her at this time, and sitting with her, rather than trying to be in the procession to the burial site. They finally agreed to do that.

The list of the people who came from the US included former Presidents Nixon and Carter, former Secretaries of State Kissinger and Vance, Secretary of Defense Weinberger, Secretary of State Haig. Practically anybody who was or had been somebody in Washington was there. Then there was Bobby Brown, a rather plump lad in his late teens, from South Carolina who had written Sadat a letter when he came to Washington and they had struck up a correspondence. The Egyptian embassy put him on the official delegation. My wife had the task of doing the protocol seating for the banquet dinner at our hotel. It turned out that Henry Kissinger, a former official, was at the bottom of the list except for one person, Bobby Brown. So, he was going to be seated next to Bobby Brown at the end of the table. He said, "I did not come 3,000 miles to eat with a teenager." So, here we are. I had assigned an attractive young woman from AID as Bobby's control officer. I said to her, "Why don't you see if he wouldn't rather have a hamburger in the snack bar and forgo this formal dinner?" Well, marvelously, Bobby did and we substituted Walter Cronkite to sit next to Henry Kissinger.

Before this famous banquet took place, there was the funeral at a mosque and the usual walk behind the coffin. All of the elaborate security and diplomatic rankings completely disintegrated and the procession became one great mob scene. Security officers had little luck trying to stay near their principals and maintain some cohesion.

Q: That happened at the Nasser funeral, too.

PRECHT: That's right. It was just chaos. People got all mixed up and confused. Egyptian television showed all that and then it showed scenes of Egyptians mourning while watching the procession. It repeatedly showed scenes of the same identical Egyptians mourning. The striking thing was there were no Egyptians mourning. Nobody regretted Sadat's death. Egyptians frequently told me, "We are sorry he was assassinated, that is a terrible thing, but we aren't sorry that he is gone." So, the American government [and] the American embassy in Cairo were completely unaware of this sentiment of what the people of Egypt felt about their government.

After the funeral, there was a formal call on Vice President Mubarak by heads of delegations - dozens of them. Egyptian television at that stage - and I suppose still - filmed VIPs visiting the president in complete silence. It is a silent film of people shaking hands, sitting on the sofa with a narration telling who it was seeing the President. They just don't have a clue how to jazz up television presentation. Anyway, when we got back to the hotel, we were all seated in the lobby having a drink before dinner when Roy Atherton was summoned up to Haig's

room. He came back and called me aside and said, “Haig is in an absolute rage.” The Secretary had had his call on Mubarak and had come back and watched the presentation of all these calls on his TV and saw the Russian representative and the French and the Israeli and the British, and he didn’t see himself. Finally, when he did see himself he was sort of sandwiched in between the Ugandan and the Finn or people like that. He said to Roy, “These people have to realize that we are giving them several billion dollars a year and supporting them politically and this kind of second class treatment is an affront to our relationship. Can we depend on them? Can we rely on Egypt? This is absolutely unacceptable. I want you, Mr. Ambassador, to go and have them rectify this by giving the American Secretary of State the complete and prominent coverage our country merits.” Atherton said to me, “What can I do?” I said, “You can’t do anything. Who would you call and what would they do? Every Egyptian who watches this sort of thing thinks it is completely normal, this kind of artless presentation. If you tell them they have to do something like Haig wants it will take days, weeks, for it to be done and it will probably not be done. Just ignore it, he will be gone soon and will forget it.” They flew out and it was all forgotten, but it made me think that we had a Secretary of State who somehow was off the beam a little bit with that kind of colossal ego. His inability to control his ego was very disturbing.

At any rate, Mr. Mubarak was elected by the legislative assembly to the presidency. He quickly put things on track very promisingly for the country.

Q: What had been the embassy’s estimate of Mubarak? We had been pleasantly surprised when Sadat took over from Nasser because everybody had said that Sadat was a non-entity and a tool of Nasser and we shouldn’t expect anything much from him. I would have thought there had been a lot of rethinking and looking at Mubarak more closely before he became president.

PRECHT: I think Mr. Haig—on the basis of unknown information, maybe from Israeli intelligence, or his own intuition— thought Mubarak was not to be trusted. That was my impression. The embassy had a rather neutral opinion of him. He had been a bomber pilot in the Air Force. We hadn’t known him very well. He seemed like a rather colorless individual. I mean the Egyptians called him “La Vache qui Rit,” [The Laughing Cow], [the brand name of a] French cheese with a cow smiling in the background on the packaging. Mubarak was regularly pictured on television standing behind Sadat with a dumb smile, never saying anything. There was a feeling he wasn’t any great shakes. Sadat didn’t want anybody who was too charismatic who might threaten him; he wanted a reliable, loyal supporter with good military credentials. That is what he got in Mubarak.

But, Mubarak, on taking office, proved to be a different sort. He appointed very competent people to work for him. He let people who had been jailed out of jail, except the Coptic pope who he kept locked up because he kept the Islamic clerics locked up because they had been responsible for Sadat’s assassination. He made it clear that the economy was going to be the first priority. He was well received. He was deemed to be honest whereas Sadat had a reputation of having at least tolerated corruption. Mubarak was best characterized, I guess, by a student who told an Egyptian friend of mine, “For decades we have had classy actors as president. First Nasser, then Sadat. They were always doing something exciting. Now we

have a dull guy who will work from 8 to 5 every day and do a competent job. That is exactly what the country needs.”

I think Mubarak was the perfect person to consolidate and restore calm. After the assassination there were shootings in the south and other places and the country was put under martial law. There were masses of soldiers everywhere. The outside world was very concerned although we went about our lives very normally. Nobody made any threats against us at the time. Mubarak helped to calm things down.

Q: Could you talk a bit about the AID program. Here you are looking at probably the major AID project that we had anywhere. There have always been these criticisms of AID that most of the money is spent on Americans in a country and the presence is so big it doesn't produce much. But, here you are looking at the real monster right in the face.

PRECHT: We had the largest AID program - apart from dollars in Israel - that the United States had ever operated. That is, Israel got what it wanted every year as a check to spend as it pleased while Egypt had to go through the project process. Accordingly, we had the largest AID mission. It was led by Don Brown, who was an exceptionally capable AID professional, extraordinarily strong in defending his organization and determined there would be no interference from the Department of State or the American ambassador, much less the DCM.

I thought the AID program wasn't producing the kind of political mileage that we could hope for. For example, one of the first projects had been to put buses on the streets of Cairo. This was before I arrived. Buses, I guess, were bought secondhand or from some shoddy manufacturer in the United States and they rapidly went to ruin. They rattled around the streets with fenders fall off, smoking, and were known as “Carter,” the American gift. That was typical. The other things that they did such as sewage projects, took so long, were extremely disruptive and although ultimately beneficial, produced no mileage. I would from time to time go to a village and cut a ribbon on a new school or village center, etc. The villagers were enormously gratified, but that was a relatively rare thing to happen. A lot of the money went for projects that AID thought were good ideas. AID professionals devised them and Egyptians signed off on them. They weren't projects that Egyptians would have spent the money on. They wanted the money to help them with their balance of payments and larger projects that we didn't want to get into.

But, the big problem with AID was staffing. They had a large staff of people, around 120 or 130, plus scores of contractors. We all considered it to be excessive. Could you get them to reduce a single division, a single body? Not at all. Roy Atherton didn't make a real effort at reduction but Nick Veliotis, who succeeded him, worked harder at it. People in Washington, however, would not budge. It was, after all, what they could do with their employees. It was not a bad post for family living compared with a lot of places that AID people had to be sent. I respected the AID staff. I thought most of them were quite good. But, there were just too many of them. That number of people, I think, is bad for the morale of the mission as a whole and for relations with the Egyptians, although I can't cite any concrete evidence to that effect. It was just that I had a sensitivity to a large American presence after my Iranian days.

We also had a large military mission. The military were keen on developing better and better relations with the Egyptians. They had pretty good connections with the Egyptian leadership who appeared to me, when I attended functions with them or meetings, to be more professionally competent - after all they had been at war - than the Iranian generals that I knew in Iran. The people that we sent out, the people to advise them, were by and large quite good. The problem that we had with the military program was that dreamers in Washington decided that we should do more with Egypt. They should be enlisted in our Cold War effort. Again Reagan policies were remote from regional realities.

Skipping ahead, CENTCOM, the regional command of the Pentagon for the Middle East [Central Command], was afraid, according to what they told us, that the Russians would move their forces down through Iran to wash their boots in the Persian Gulf. It seemed to me to be a highly remote scenario. How could Russian troops make their way through Iranian resistance, however inept it might be, over the Zagros Mountains to the Persian Gulf? Any way, that was the supposed threat and the White House wanted Egypt to help them against it.

Q: I might add that in an interview with Chas Freeman, who worked with Norman Schwarzkopf back in 1990 before Saddam invaded Kuwait, he said Schwarzkopf had inherited this plan of somehow fighting a battle in the mountains to stop the Soviets from coming across Iran, which seemed ludicrous, but up to 1990 that was sort of the major thrust of CENTCOM.

PRECHT: One of the things that they wanted to do and the Egyptians allowed them to do it, was secretly to pre-position material – tents, trucks, guns – in an Egyptian base in central Egypt. I think the Egyptians probably felt if they went to war, they might crank up those trucks themselves. Then the American administration wanted a base in Egypt because Saudi Arabia at that time didn't want to have American infidels on the soil of the Holy Land. In the southeast part of Egypt on the Red Sea, near the Sudanese border, there is a fishing port called Ras Banas. There was an emergency Egyptian airstrip there but no real development - military or civilian - at all. People looking at the map thought that would be a good place to have an American base. I remember one meeting in which this project was launched, Poindexter, a Navy officer who was in the Reagan White House and Bud McFarlane all came over to tell us how important this initiative was. This would be a test as to whether the Egyptians were with us, etc. I was given the job, along with political/military officer Edmund Hull - this is now 1985, I guess - to negotiate Egyptian acceptance of this thing. We ended up in negotiations in the foreign ministry with Mubarak's chief foreign policy man, Osama El-Baz. What we wanted to do was to have a memorandum of understanding which would give us the right to construct the base there. Well, we would go over and have a session with Osama and he would reject certain language and accept other parts. We would take it back to Washington and they would propose, etc. This went back and forth for weeks and months.

Finally, Washington became very impatient with them. They said, "We have put together in the DOD budget, for the Corps of Engineers, money for this project. If we are going to get that money we have to be able to tell the Congress that the Egyptians approve. So get the thing wrapped up." I had told McFarlane that the much of the business of the Egyptian revolution in 1952 was about getting the British bases out of Egypt, out of the Suez Canal

zone. Having a foreign base in Egypt is absolutely contrary to everything in Egyptian history. He said, in effect, "So much for history." We went back to Osama and said, "Look, we have to have a yes or no. We can't go on with this back and forth negotiation." In a short period of time the answer came back, "no." That was the end of it. All that effort and zero results. Washington was not living in the day-to-day real world of local politics - and history.

Q: This, of course, is one of the great problems about plans cooked up in Washington by people looking at a map.

PRECHT: Exactly. It is very hard to convey the regional realities to people in Washington who quite probably have a global perspective. Their agenda was the Soviet Union and China, the big threats we faced in the world, while our agenda was just a small country. Washington always seems to think the regional problems can somehow be pushed aside or smoothed over.

Q: Did the Iranian-Iraqi war have any impact outside watching these two people fighting?

PRECHT: Not really. It was interesting, when I arrived in Egypt in 1981, I asked university professors, journalists and people like that, what impact the Iranian revolution had had in Egypt. The students were enthusiastic, they said. A small country punching a great power. People in the streets overthrowing a regime backed by the Americans. I said, "Didn't they pay any attention when this new revolutionary regime began to execute people and impose restrictions on women, etc? They thought that was either lies, or propaganda or just a result of turmoil and that things would settle down soon.

Then, when Iraq invaded Iran, Egyptians favored Iraq, an Arab state against non-Arab Shia Iranians. There never has been much love between Egypt or any other Arab state and the Iranians. Each felt superior to the other. What was disruptive to Egypt was the jeopardy it placed the Egyptian workers in who were employed in Iraq. A lot of Egyptians were employed in the Persian Gulf, Jordan and Iraq and even got into the Iraqi army. That employment abroad became the biggest earner of foreign exchange for Egypt during this period.

Another active and profitable regional role for Egypt was the war in Afghanistan. We were intent on driving the Soviets with the aid of Islamic groups there. Saudi Arabia was big in this but also Egypt. Egypt had an arms manufacturing industry and was delighted to ship their arms to the mujihadeen or whoever were fighting the Soviets.

The Soviets really didn't figure very much in Egyptian thinking at this time and they didn't worry about the reaction from Moscow. President Mubarak may have trained in Russia and maintained a decent relationship but the Egyptians no longer expected anything from the Russians.

Interestingly, the Reagan administration, in order to express their outrage at the invasion of Afghanistan and their abhorrence of the evil empire, prevented us from having any contact with the Russians. That seemed absurd to me. When we went to the nightly diplomatic

cocktail parties we weren't supposed to talk to the Russians at all. CIA could go about their work but we were not supposed to have any kind of contact with them. I had had a relationship with the Russian counterparts before that, but had to end it. Not, that my chats would have done any good. But on the other hand you never know where you will pick up some information.

Q: It doesn't prove a damn thing.

PRECHT: I don't think it affected Soviet policy in Afghanistan the slightest.

Some of our people were deeply worried about the Egyptian economy which had been doing relatively well under Sadat but began to lose steam. Shortly after I arrived a new economic team, Dave Dunford and Shaun Donnelly, came to see me and said, "This economy is going into deep trouble - over the cliff. They are spending more than they are earning and they can't sustain it." They saw deep trouble ahead. I, having lived in Egypt before and imbued with the eternal nature of the country, could not imagine collapse. Egypt was always, in a sense, in a state of collapse. But, they were right in that things began to slow down and the Egyptian government, which was overloaded with subsidies for the poor and a booming population and terrible shortage of housing and infrastructure, had all the problems of any underdeveloped country.

Nasser had brought significant benefits to the average Egyptian after the 1952 revolution. During my first assignment in Egypt, traveling out to Delta villages, I had been able to observe the changes underway. Whenever I asked an Egyptian in a village or ordinary people in Alexandria, what the revolution had meant to them they predictably answered, "Education for the children." Under King Farouk, in the British days, only the elite had received education. Nasser built schools and education was free through the universities. By the time I returned to Egypt, education had become a burden for the government and the people. Schools were overcrowded and didn't produce people who could pass exams. Families had to devote savings to special tutoring. There were double sessions of classes. Universities were so overcrowded that students never got to know their professors and it was amazing that anybody still got a decent education out of that system.

Similarly, the health service that Nasser established. There were clinics everywhere, free care, and heavily socialized medicine. It was fine for a limited population but virtually impossible for a large population. With that was the collapse of Nasser's system and the growing population burden, his legacy of socialist measures were costing the government millions in subsidies - a great burden on the economy. The World Bank and the American embassy began to try to persuade the Egyptians to ease out of this program but the government resisted. Sadat had experienced riots when he had tried to raise the price of bread in 1977. President Mubarak, a very cautious person, wasn't about to take that kind of a step.

One of the key things that was on our agenda was to persuade the Egyptians to raise the price of bread and other subsidized items. Finally, they took the step of introducing a new loaf of bread at two piasters a loaf which they said was a larger, improved version of the one piaster loaf. Then, gradually, they withdrew the one piaster loaf - in effect doubling the price of

bread.

Q: Was there anything we could do about the economy or were we just watching it?

PRECHT: Well, we could talk to them. Our AID program didn't do much good. Towards the end we tried to use part of the AID money as a cushion if they began to put their budget in a better balance. They had competent people managing Egypt, it was just that they had these intense pressures and a very conservative attitude about what was possible with the Egyptian population. The Egyptian population is notoriously passive and acquiescent to authority. But, then on occasion, it can explode and when it does for a brief period you are in big trouble before it settles back down again. So, they were very wary of that kind of explosion.

One of our big activities in Cairo was visitors. It seems every congressman, every senior government official - from domestic as well as international agencies - visited. We had hundreds of visitors a year. The embassy, of course, had to manage all of that. We were constantly having to divert officers from normal duties to be control officers for a congressional delegation or some other type of visitor. I did what I could to try to limit the flow, but it was impossible. For example, the Department of HEW had projects in Egyptian medical science financed by the money we generated by PL 480 funds which they used very generously for their own travel back and forth and the travel of their Egyptian counterparts. I thought it was of little value to anybody except the participant and I tried to squash it. Well, they invoked C. Edward Koop, the surgeon general, to defend this project, and I had several collisions with him. I lost.

The point is it is extremely difficult for the American government to change any kind of existing program. And when you are overseas to buck what a Washington agency wants to do is also extremely difficult because it is rare that you find the State Department willing or effective in backing you up to take on another agency. But I tried my best with a couple of cases.

Every day, sometimes three times a day, I would have a telephone call in the morning over the classified line with our desk officer. That capability really facilitated this communication. I don't know how it is done now, but that was an improvement over the experience I had when I was in Rome and was control officer for the overflowing of a dam in northern Italy and the dispensing of our \$25,000 of AID money. There was such confusion in cables between us and Washington that I remember Ambassador Reinhardt telling me very solemnly that there was nothing else to be done, I would have to telephone Washington. Then when I called, everyone in the office got on the phone to talk to me. In Cairo, I spoke every day over the classified line and sometimes the unclassified line to the Egyptian Desk at the Department.

Back to visitors: we had plenty of them. We had not only congressional visitors, but we had people working on Arab-Israel peace and the Lebanon fighting (Phil Habib was the negotiator for that). It was always of interest to go out to the airport and pick up Phil Habib. He would fly in on a small plane, perhaps with one aide. If we had a four star general he would come in on a very large plane with a complete entourage of people. But, Phil was of

the old school. A very simple, direct person and the Egyptians loved him. When the ambassador wasn't there, I would take these people to see Mubarak, otherwise take them to see various ministers. So, I got to know the Egyptian leadership very well.

There was one little episode that merits mention. We had two concurrent House delegations come over, both sponsored by Jewish groups who were taking them to Israel and Egypt. The sponsors came along with them. With the sponsors and the two groups there would have been about 20 people. I said that that was entirely too many. To prove it, I called up the Egyptian chief of protocol and he said, "Oh, no. Nobody but the principals can come, along with you, to see the president. There is just not room." So, I said they couldn't come. Well, the sponsors prevailed upon the congressmen in one delegation and the congressmen said that if the sponsors can't come we are not going. I said, "You will offend the president." They said, "We are not going to offend our sponsors." So, I took one group of Congressmen (led by Dick Cheney who understood my position and was supportive). The other group went somewhere else. When I brought in the Cheney group Mubarak said, "Where is everyone? I thought there was going to be a big group." But, it struck me basically as an imposition. Why should these private citizens because they have money be able to buy their way into an audience with the president of Egypt? [It was] tourism partly at US Government expense.

Q: What's new?

PRECHT: Whenever the opportunity presented itself, I would offer a lunch at my house for visiting VIPs. We happened to have, I think, the best cook in Egypt, an Egyptian who could read Gourmet magazine. I would stage a stag lunch, my wife wasn't interested in that kind of thing. I would invite academic people, journalists, politicians, ministers and most of them would come. Egyptians are quite social in that way. Those functions were some of the most interesting times that I had in Egypt. Once I invited Osama El-Baz, the president's adviser, to have lunch with Dick Murphy, the assistant secretary. We had a very good conversation. When Osama was leaving, he said, "I enjoyed myself very much, but don't you think that we aren't aware of all these left wingers you are having here." Who knows the power of the Egyptian secret service. They liked to foster the belief that it was a potent organization.

One other thing I should mention, I guess, is Betty Atherton, the ambassador's wife. I had known Betty obviously when I had worked for her husband and then when I worked on the Iran desk. At the end of the revolution we began to evacuate staff from Tehran. I was completely absorbed in the Ross Perot affair, trying to save the Shah and getting people out and my day was completely full. Betty came to see me and said, "Who is taking care of the people who have been evacuated?" I said, "I assume the admin section." "They are not. These people are being brought out of Teheran in typical Department fashion and are assumed to have parents and grandparents that they and the children can stay with. Some of them don't and are thrown into the street receiving an allowance of \$1.90 a day." So, Betty said, "I'm going to do something." I said, "Betty, that is wonderful. You do it." When she sets her mind to something she gets results. She organized the Department of State. We had a meeting with Vance and these people in which they voiced their complaints. One junior officer stood up and said, "I'm sleeping outside the Department with the homeless because I can't afford anything else." She got them taken care of. She was splendid in that way.

When I arrived in Cairo, Betty had an office in the ambassador/DCM suite which a lot of people thought was highly irregular. She had a Top Secret security clearance so that she could go to staff meetings when she wanted to. Her interest was in the American population which was quite large in Egypt, something over 10,000 including AID personnel and American businesses, etc. And, there was a big American school which was developing a problem with drugs, etc. So, there were a lot of social problems that she felt were inadequately addressed in what was a small American town. She got money from somewhere and brought in two sort of social workers and set up a house in Maadi, a suburb where most of the American families lived. The center became a place where teenagers and family members could go with their problems. She was very active in managing and handling that organization. It was a very commendable effort that she achieved. When Betty Atherton goes after something, no one stands in her way. I don't know if the program survived after her time. When she returned to Washington she tried to extend that program to other posts.

Q: Going back to a couple of things. In the first place, way back in the Iran time, how did you get on when the dependents of the hostages in Iran would come in? This must have been a very difficult thing to deal with.

PRECHT: It was difficult for me. As I said, when I went to the State Department that first day, my wife came with me. The Operations Center gave her and other wives a room with a bank of telephones. So there were Marian, my wife, Penny Laingen, wife of the chargé, Sylvia Josif, wife of a retired foreign service officer, the wife of Harry Barnes, Moorhead Kennedy's wife. Marian and Sylvia Josif were there every day. The others were in and out. Mrs. Kennedy and Catherine Koob, who was the wife of a school principal in Pakistan who happened to be in Tehran on the day of the siege, organized a group of supporters that went on missions to heads of government in Europe. They appeared on television and thought that dramatizing the plight of the hostages and their conditions would help. They were constantly being interviewed. Mrs. Kennedy didn't care for me because she resented the fact that I had enlisted her husband to go to Iran and wouldn't allow her to go because we wouldn't allow dependents who were not working. She didn't want to work. She wanted to do her real estate work in Washington. I did allow her to use the telephone to talk to her husband as long as she wanted. But, she always, I think, associated me with his plight.

They wanted to know everything that was happening. Well, not very much was happening and what was happening was extremely closely held. We just couldn't afford to bring them into the picture and they resented that. But, basically I got along with them very well. Having my wife involved probably helped me. The State Department leadership was quite responsive to them and there were several meetings held in which dependents were brought in from all around the country and met with the president and got briefings. People did what they could, but they had their own concerns. Marian, speaking to these people on a continuing basis became aware of the stress in their lives and the personal problems that they were having with children or with in-laws or health problems, etc. The Op Center group of wives became a focus point for the dependents. After that hostage experience, we were very much alive in Cairo to the concerns of families at the embassy in a way I think we had never been before.

Q: With the Reagan administration coming out of the right wing of the Republican party, particularly their stand on abortion, etc., and looking at Egypt where birth control seemed to be accepted, Mrs. Sadat made a big point of this, did this cause any problems for you?

PRECHT: No, we had a family planning program, which was largely ineffective in Egypt, abortion simply being out of the question in a Muslim country. Mrs. Sadat had been an advocate of women's rights but after her husband's death she was shuffled into the background. She had been quite prominent and I don't think the replacement regime wanted to hear much from her. They weren't taking on family planning as an issue initially. It was a very sensitive thing. Subsequently, towards the end of my tour or later when I returned on visits, they realized the gravity of the problem and you began to see advertisements for condoms. But, the Reagan administration didn't interfere on that point.

The thing that struck me about the Reagan tenure at our embassy was that he had made a big thing about reducing the size of government. Well, as a matter of fact, more people traveled to Cairo on government funds than ever before. It seemed to me that nothing was cut. There was this lavish expenditure on non-essential matters that reflected a desire to break the budget, to move it up to such an extent that it would become necessary later or to cut back drastically and the cuts would be in programs that Reagan didn't care for. My theory is that they boosted expenditures initially in order to be forced later on to cut back to a balanced budget. There was no indication whatsoever that we were in a period of budget retrenchment when I was in Cairo. It was quite the reverse.

Q: During this 1981-85 period, what about relations with Libya?

PRECHT: I don't remember whether we had relations with Libya at that time. But the Egyptians wanted to maintain a decent relationship with Libya because a lot of Egyptians worked over there and that was a good source of income. So, their counsel was to take it easy on the Libyans, but we didn't give much heed to them. We had our problems with Qadhafi and the Egyptians weren't fond of him, but they did want to maintain a decent kind of relationship.

A more serious problem in the neighborhood was with Sudan, where Nimieri was toppled in 1985. In the olden days under British rule, Egypt and the Sudan were one country. Egypt didn't want to take over the Sudan, but they did regard the sources of the Nile, which flowed through Sudan and principally came from Ethiopia, as critical. So, they were always quite concerned about what was happening in Sudan. We regularly consulted with them on Sudan which was a sensitive subject for Egyptians. They were keenly aware that the Sudanese felt Cairo regarded them as inferior and tried to control them. Butros Ghali, who was minister of state for foreign affairs, was kind of my beat and Roy Atherton did business with the foreign minister, Hassan Ali. Butros had Africa and was constantly traveling and perhaps even then was campaigning for the Secretary Generalship of the UN. As a Copt he probably didn't have the same kind of influence with the Arab states, but he did speak fluent French, so France was his beat as well.

Q: During this time, Israel invaded Lebanon. How did that play?

PRECHT: That was in 1982. The Egyptians were outraged because there was a general perception that we Americans under Secretary Haig had given the green light to Israel to invade.

Q: That has never been resolved has it?

PRECHT: No. Whether that is true or not I don't know but that was the perception. Mubarak, contrary to Sadat, allowed the press pretty free range. They weren't allowed to criticize him, but they could criticize America and Israel with relish. The Egyptians wanted to keep demonstrations under control but at one point students from American University in Cairo wanted to march on the embassy to show their displeasure. The police wouldn't allow them to do so. So, I volunteered to walk over to the university and allow them to express their displeasure to me in the auditorium, which I did. The interesting thing was that there weren't very many students in the auditorium, there were mainly faculty members. The people who were the most vociferous in denouncing the United States and Israel were the Americans, the faculty.

Another anecdote: During the weeks after the Israeli invasion I was chargé. Butros Ghali would call me over to the Foreign Ministry and give me a lecture on the terrible things Israel was doing in Lebanon. While I returned to the embassy to report to the Department, he would summon the Egyptian press and describe our meeting. The following day, with the Department's response in hand, I would return to deliver it to Butros. Another lecture from him; another press interview for him. This pattern persisted for days. Then, one day, I read in the Egyptian press an account of a meeting between Butros and me over Lebanon - when there hadn't been a meeting. I telephoned him and asked how he explained that. He replied, "So you saved yourself a trip over here." It was essential for the Egyptian government to be seen playing a part in this crisis, a role of some importance - when, in fact, Washington paid little or no attention to them.

Quite plainly, Egypt's relations with Israel suffered a lot. Another thing that got in the way of the relationship was when Israel withdrew from the Sinai, they did not withdraw from one corner that was up against their border and the Jordanian border where they come together at the head of the Gulf of Aqaba. Taba is the name of the area. It was said that one of the Israeli leaders had an interest in a resort hotel on that spit of land and wanted to retain it. They wanted to retain it to show the Egyptians and other Arabs who might subsequently negotiate with Israel that international boundaries were not sacrosanct and Israel could impose its will by carving out a piece for itself. But, the Egyptians were not giving. Sadat vowed that he would regain every inch of Egyptian territory and Mubarak was not budging. The Israelis weren't either. Finally it was left to the World Court, I believe, and was resolved in favor of Egypt. That kind of thing just exacerbated relations and contributed to the cold peace that the Israelis regularly complained about. The Israeli ambassador to Egypt was Shimon Shamir, an academic, an excellent man who spoke Arabic, but because of who he was, very few Egyptians would have anything to do with him. This was unfortunate because he had a lot to contribute.

Q: Did you find the Israelis a good source of what was going on there?

PRECHT: Not nearly as good a source as they were in Tehran. I suppose they had sources but we didn't use them. Much better sources of information were the English and French. I also used to see fairly regularly the DCM from the Hungarian embassy who had had long service in Egypt, spoke Arabic and knew the country extremely well. There was an extremely active and large diplomatic corps in Egypt. Every country in the world thought it had to be represented there and they all had national days. I went to almost every national reception. Roy Atherton went to every one. When Nick Veliotos came on board he stopped going to them because he didn't enjoy that kind of life and I had to go to them all.

Q: How long were you working with Nick?

PRECHT: Roy left in 1983. I was at a party, Roy was on home leave and I received a call from Dave Schneider in NEA saying they would like to get agrément for Nick Veliotos right away. I said it was Saturday night. He said, "Please do your best." So, I called Osama El-Baz who was notoriously unreachable but somehow the embassy telephone operator found him. I told him that we would like to have agrément for Nick Veliotos. He said, "I will get back to you." Within half an hour he did. I conveyed that to Washington. I don't think Roy Atherton knew about it until he read it in the newspaper. He was very popular with the Egyptians. The most popular American was Hermann Eilts who was the first ambassador after the break in relations. He was regarded and I think still is as a father figure by many Egyptians. He spoke Arabic as did his wife and they were regarded as family. Atherton didn't speak Arabic but still was well regarded. Nick Veliotos was more out to do a job rather than to win hearts and minds. He also had some heart problem and wasn't going to over exert himself. He didn't put in the hours that Roy did which meant I put in a lot of hours. He was a good man to work for but a different kind of personality than Roy Atherton.

Q: Did the Achille Lauro happen during your time in Cairo?

PRECHT: That happened after my time there.

Q: By the time you left in 1985, how did you see Islamic fundamentalism?

PRECHT: Well, I thought it was a real concern. When I made my farewell call on President Mubarak, he said, "Henry, you were here four years and we didn't have an Islamic revolution." I think he had been wary of me all along. The assassination of Sadat and the troubles at that time never reappeared. But, still it seemed plain to me to contrast Egypt then with Egypt in Nasser's time - more women in head scarfs, more veiling of students in the eighties than in the sixties. All of that had some social as well as political meaning. You never knew exactly how much of one or how much of the other. Plainly Egypt was changing. The Islamic tide had risen in Egypt. If you went, as I did, to a minister's home during Ramadan they would adjourn to another room and pray. It was the sort of thing you didn't experience previously in Egypt. I think during Mubarak's time the religiosity in Egypt definitely became deeper and more widespread.

At any rate, after I had had four years in Cairo, Nick Veliotis asked me to stay on for another year. However, in an effort to cut down on AID's staff and others I had encouraged people not to stay longer than four years. I really believed that when you have been in a country four years you get to know the answers to all the questions and it is best to move on. So, I moved on. Bill Clark succeeded me, coming from Tokyo. I thought he would have the most severe cultural shock of anyone in the Foreign Service - coming from Japan where everything worked as soon as you uttered a thought, to Egypt where it took weeks for things to happen.

A. DAVID FRITZLAN
Consul General
Alexandria (1964-1967)

A. David Fritzlan was born in India in 1914. He moved to the United States in 1932, and received a B.A. degree at Northwest Nazarene College in 1934 and an M.A. degree in at the University of Kentucky in 1936. He joined the Foreign Service in 1938, serving in Italy, Iraq, Iran, Morocco, Jordan, Spain, and Greece in addition to Egypt. He was interviewed by Charles Stuart Kennedy in 1990.

FRITZLAN: Then I was assigned after five years in Barcelona -- almost five years -- assigned to Alexandria which again was a nice agreeable post from a standpoint of living conditions, a nice house and all that, and good climate. Phillips Petroleum Company was just beginning explorations in the western desert, and eventually found oil. The work again was not all that exciting. The social life was fairly active, not nearly as active as it had been before Nasser or in the early stages of Nasser's rule because all the wealthy Levantines and Greeks and whatever, Egyptians too, some of them, had been sequestered. That is to say, that their wealth had been confiscated, and in many instances they'd just left the country, gone to Lebanon, to Greece, Italy. And I was rather thankful for the fact that we didn't have that high inbred conspicuously wealthy lot of what you might call expatriates living in Alexandria. The life they pursued was well illustrated by Durrell in his book on it.

Q: Yes, the Alexandria Quartet. So really the major thing that happened there then was the war. We're talking about the war in June 1967, known as the Six Day War.

FRITZLAN: The only thing of significance that happened when I was in Alexandria was the Six Day War which was the cause of my departure when it comes to that. We could see the war clouds on the horizon, and it didn't come as any great surprise though it was hard to understand Nasser's folly. I was listening to the radio that morning, the World Service of the BBC, and Nasser's statement that U.S. had intervened in the war by providing air cover for the Israelis. That alerted us to the real likelihood of serious trouble directed against Americans. And sure enough. I presided over the evacuation by sea of Americans in Egypt. We'd got our dependents out so that they and unnecessary staff had pretty well left the country. We had enough warning for that. Then, of course, we learned very soon that the Egyptian air force had been virtually destroyed on the ground by the Israeli planes. So there was nothing left but to plan for the evacuation, warning Americans to keep off the streets, stay home, observe the blackout

scrupulously.

And then one morning, I guess it was about 20th of June, mid- June, the Embassy group arrived very early in the morning at the Marine terminal and railway terminal. Our own people had been taken by bus from a special hotel where we congregated -- it was a safe place -- early in the morning to the same place and we got on board a ship that had been provided us that had come for that purpose from Greece. Three days later we were in Piraeus, Athens. We put our affairs in Egypt then in the hands of the Spaniards, and I'm not sure when we reopened the Consulate General. I guess it was about the time the Embassy was restored to American operations. It was some months, possibly a year later.

ARTHUR J. GOLDBERG
UN Ambassador
New York (1965-1968)

Justice Goldberg was born and raised in Illinois and educated at La DePaul and Northwestern Universities. He served in the Office of Strategic Services during World War II, after which he persuaded a career in Law. He subsequently became a major figure in the United States government, serving as Secretary of Labor, Associate Justice of the US Supreme Court and finally as US Ambassador to the United Nations. Justice Goldberg was closely involved in major issues at the United Nations, including the Vietnam War and the 1967 Arab-Israel War. He was awarded the Presidential Medal of Freedom in 1978. He died in 1990. Justice Goldenberg was interviewed by Ted Gittinger in 1983.

GOLDBERG: That is correct. But on the first part, I did what our navy went up in arms about, but I said I had no choice and the President, I must say, supported me. In order to put to rest this canard, I invited UN observers to go on board our carriers and see their logs to demonstrate our planes did not participate, you see. Now about Russians -- it's a most peculiar thing, never explored in depth. The Russians certainly knew that the Israelis were not going to launch a pre-emptive strike, certainly against Egypt. They were always worried more about Syria. Syria was ideologically closer to them. Although, during the fighting, the Soviets seemed to get fed up with Syria. Would it interest you to know that for some reason of Russian policy, when the Israelis started to move to El Quneitra and were thirty miles from Damascus, the same Syrian ambassador who had insulted me, came to me and said, "We need a cease-fire." And I said, "Go to your friend, the Soviet Ambassador." The Syrian Ambassador said, "He won't listen to me." We thereupon proposed the cease-fire resolution at the behest of Syria. I said, "We don't want another war and we don't want Damascus invaded." So I was the one who offered at the request of Syria, a cease-fire.

I remember further instances of Soviet behavior during this crisis. Khrushchev sent a threatening telegram to the White House similar to the one Kissinger got all excited about during his tenure. Johnson called me and read it to me. I was in charge, as I have mentioned. The President asked, "How do we answer this?" you know, over the hot line. And I said, "Very simply. It's a phony.

The Russians logistically are a long way away, and the Israelis have a pretty potent army.” So I said, “Why don’t you answer -- “ He said, “I’ll put my secretary on.” I dictated an answer and the President sent it. This, in essence, was the answer: “I suggest your Ambassador at the UN communicate with Ambassador Goldberg, who is in charge of this matter, and discuss it.” This was the last I heard about it.

Q: It seems to me that Nasser either had very bad judgment or a very poor intelligence service.

GOLDBERG: There’s no doubt the Russians told him of their suspicions, whether genuine or fabricated I cannot say. It is significant, however, that before Nasser mobilized and occupied the Sinai, the Russian Ambassador to Israel woke Eshkol up and said, “Our information is that you’re going to strike Syria.” And Eshkol, in his pajamas, three o’clock in the morning, according to all accounts I’ve read, said, “You come with me to the Syrian front and I’ll show you it’s not so.” And the Russian Ambassador said, “We have our own means and I’m not going to accompany you.”

Now, it’s true there were some belligerent statements by Israel, but those were not enough for any country to base its policy on. Now why the Russians fed the Syrians and Egypt with suspicions and highly provocative intelligence and removed their personnel has always puzzled me. Did they want to stir things up, create instability? This may be the only explanation. Because they must have had better intelligence.

Q: That would be my point. Surely the Egyptians had sources of their own, didn’t they?

GOLDBERG: Well, but you must remember the extent to which, at that point, Egypt relied upon the Russians, a great deal. There were thousands of Russian specialists in Egypt at the time, and thousands in Syria. So, whether the Soviets were the motivating factor for Nasser, I cannot say.

Q: Some people have made much of the fact that we had no ambassador in Cairo for about two months prior to this time.

GOLDBERG: The State Department, just before the outbreak of the war, sent an untutored fellow as our new ambassador to Egypt. I tried to brief the fellow, and along with the briefing I gave him a copy of the 1956-57 memoranda -- I’ve forgotten the exact date -- by Hammarskjöld. This fellow thought it was a contemporaneous memorandum of our desires. It referred to a lot of concepts which we no longer subscribed to. He gave that to Nasser as our present political wishes. Fortunately, his foreign minister and some others of course recognized the document as the old document. They knew he had made a mistake. And they told Nasser. It was a subject of great laughter. Their ambassador in the UN told me about it, and we had to pull our new Ambassador out.

Q: That’s astonishing.

ALFRED LEROY ATHERTON, JR.
Deputy Director, Bureau of Near East Affairs

Washington, DC (1965-1974)

**Assistant Secretary, Bureau of Near East Affairs
Washington, DC (1974-1978)**

**Ambassador-at-Large, Middle East Negotiations
(1978-1979)**

**Ambassador
Egypt (1979-1983)**

Ambassador Alfred Leroy Atherton, Jr. was born in Pennsylvania in 1921. He received a A.B. and an M.A. from Harvard University. He entered the Foreign Service in 1946. In addition to Egypt, Ambassador Atherton's Foreign Service career included tours in Germany and India, and many positions in Washington, DC involving Middle East affairs. Ambassador Atherton was interviewed by Dayton Mak in the summer of 1990.

ATHERTON: We went off to Washington, reported to the Department and discovered that while we were in transit the mysterious wheels of the personnel system had been turning and my assignment had been changed. I was not going to the War College, I was going to be assigned to Washington as deputy director of the Office of Near Eastern Affairs.

I thought I had left NE, and the Near East, and the Arab-Israeli problems behind, having gotten out of that circuit way back (seemed way back at that point) in 1960, when I moved to the Cyprus desk. I left involvement in the Arab world and its problems behind and took on the Greek-Turkish Cypriot problem for that year, and then went off and studied economics, and went to Calcutta and learned a lot about the problems of South Asia. And I really didn't have any great burning desire, frankly, to plunge back into what I thought was going to be a totally stalemated-for-lifetime Arab-Israeli problem. It didn't look to me as though it was a place where a lot was going to happen. I don't mean to discount the importance of our tending to the problem, our being engaged in the area, and doing our best to preserve our relations with the Arabs as well as Israelis, but I hadn't really thought of plunging right back into that set of problems.

I thought that with the economic experience and the experience in Calcutta, it would have perhaps made some sense to build on that, but the Department thought otherwise. And I discovered that I was to fill in behind Harry Symmes, who had been made office director, filling in behind Rodger Davies, who had moved up to the front office as a deputy assistant secretary. And so I suddenly found myself not only back, but back in a big way as the deputy director of the office. This was when the bureaus were still organized in geographic offices -- Office of Near Eastern Affairs; Office of South Asian Affairs; Office of Greek, Turkish, Iranian, and Cyprus Affairs -- before the fragmentation into the country director system. So the Office of Near Eastern Affairs covered all of the Arab countries of the bureau, plus Israel, plus all of the problems that grew out of the Arab-Israeli conflict, with which I had been out of touch for five years -- since 1960.

So the first thing I figured I had to do was to get back in touch. And that involved making an extended trip back to the area to get reoriented and meet a lot of the people who were there, some of them I knew and some of them I didn't. I didn't realize, incidentally, that, by joining the NE front office at that time, I was coming in just in time to help preside over the end of that office. It was only six months later, roughly, that the offices were abolished and the country director system was established.

Q: What year was that?

ATHERTON: As I recall, that happened in the summer of 1966. I'm talking now about the end of '65 and the very beginning of '66, when it was still an Office of Near Eastern Affairs.

I did, as I recall, almost a month's trip. I visited almost every country in the Office of Near Eastern Affairs. I got to all the major countries, including Yemen and South Yemen, which was then Aden and was still a British colony. I did not get to Qatar or Oman, and I didn't get to the sheikdoms that later became the component parts of the United Arab Emirates. Remember, in those days the Maghreb, the Arab countries of North Africa, were still in the African Bureau, so my trip really was from Egypt eastward to the Persian Gulf and from Syria in the north to Aden in the south. But it was a long trip, and I got back in touch as a result of that, and came away from it with a certain number of impressions about what the issues were that we were going to be dealing with.

Just to recall what the issues were at the time, this was a period when there were strains in our relations with the Egyptians despite early efforts by the Kennedy Administration to improve relations. The Egyptians had sent an expeditionary force to support the revolution in Yemen, and this had frightened the Saudis. We had had to choose, and had chosen to stand with the Saudis, and therefore we were seen as opposing the Egyptians. There were other reasons as well, over Palestinian and Arab-Israeli issues, and over Egypt's relations with the USSR and its threats to Arab governments friendly to us. We had suspended Public Law 480 wheat sales to the Egyptians, because of attacks by President Nasser on our policies. So that while we had people, both in Cairo and in Washington, trying to maintain a dialogue and a relationship between Washington and Cairo, there were strains in the relationship.

The ambassador at that time in Cairo, whom I visited, was Luke Battle. I recall the visit very well indeed, because, among other things, he showed me the property that he was trying to get the Department to agree to buy as the new ambassadorial residence in Giza. But that's another story, I'll come back to that later.

Q: Luke told it on his tapes, too.

ATHERTON: Did he? Well, he took me around to look at it on that trip, and I agreed it was absolutely splendid. The house needed some renovations and enlarging, but the location was good, and the basic house was a charming old Cairo villa that would have been just ideal. And the reason for wanting to move was that the residence, while it was a grand residence, was in an increasingly congested part of town in Garden City, and we didn't own it, it was on lease. And Luke felt, I think rightly, that rather than buy and stay in that area, which was clearly going to

become only more and more congested, making it less pleasant living and a bit of a security problem, although not as much as in later years, that we should seize the chance to buy a very representational piece of property with a lot of land around it right on the banks of the Nile. An unusual opportunity. But later we'll talk about what happened to that, when we get back to Egypt.

In any case, one of the big issues in the area at the time, and it tended to affect our relations with a number of countries, was the civil war in Yemen, and the Egyptian intervention on the side of the revolutionary regime, and the Saudi support for the monarchy, so you had a civil war with two of the principal Arab countries aligned on opposite sides, and the United States trying to keep good relations with both of them. In the end, our relations with Egypt suffered, and our relations with the Saudis prospered during that period.

ATHERTON: The administration was by then very absorbed in Vietnam, and was not looking for other foreign policy problems which might overextend our diplomatic resources and our resources generally. So there was no great drive at that time to try to do anything about the Arab-Israeli conflict in terms of looking for solutions. We were just trying to keep the lid on and hoping that it didn't blow up, and meanwhile focusing on our bilateral relations, and on trying to see if we couldn't find a way to help unwind the Yemen War. That was the one active conflict in the area which was potentially destabilizing to the region.

ATHERTON: Another thing about this period that I remember was looking at the role of the Department, particularly the role of the Near East-South Asian Bureau, in dealing with the Middle East. I became increasingly aware, having returned to this area after a five year absence, of the pro-Arab image of the bureau. The bureau was seen as basically sympathetic to the Arab side of the Arab-Israeli conflict.

And I think there was some historical basis. In the early years, it was the professionals in Near Eastern affairs who had recommended against the establishment of Israel and against recognition of Israel and in favor of trusteeship when the British said they were going to get out of Palestine. So there was this historical image, particularly in Israel and among pro-Israeli elements in this country and in the Congress -- that the Near Eastern Bureau was suspect from the viewpoint of Israel's interest. I had a very graphic introduction to this. One of the things I was expected to do was to go on the speaking circuit. We had lots of invitations to speak about the Middle East. One of the principal sponsors of these occasions was the ZOA, the Zionist Organization of America, which was very active in organizing meetings to discuss Israel's interests, and the Arab-Israeli problem, and the Middle East in general, mostly in Jewish congregations at synagogues around the country, or at educational institutions, or often sponsored by local Jewish community groups in hotels. It seems to me there was hardly a week went by that I wasn't going out (usually they took place on Sundays), that I wouldn't be invited to go to one of these meetings. And the pattern that emerged, very clearly, was that there were three people on the platform: there was the ZOA representative, who was the chair of the meeting, there was a representative of the Israeli

government, usually from the local consulate or from the embassy, and then there was me, as the representative of the State Department.

Q: The opposition.

ATHERTON: And it became very clear, from the beginning, that I was seen as the representative of the Arab point of view, since no Arab would share a platform like that in those days. And I suddenly realized that here I was, being set up to be the spokesman for the Arab point of view, which I tried to avoid doing. But it was pretty hard, because you were put in impossible situations, explaining what the Arab position was, which clearly was badly needed, without appearing as an advocate. There was an Arab view, and people needed to understand it, but for an American State Department official to explain it tended to identify you with that position.

Q: To espouse it.

ATHERTON: I must say I did try to do a little bit, during that six month period when I was deputy director of the office, to change a bit the image. I looked for ways, sometimes symbolic, to do that, for example by having a more open door to representatives of the Jewish voluntary agencies as well as for those that were serving the Palestinian refugees, looking more carefully at our personnel policies, which in some cases in those days tended to discourage people from serving in both Israel and the Arab world, instituting some cross-assignments. I began to try to say, "this image is wrong. I think that this bureau is really much more objective about the Arab-Israeli problem. There may be individuals in it who have their own sympathies, but I think we are carrying out the policies of the government, which are to have good relations with Israel and try to create balance in our relations with both sides." I thought it important to try to do things that would make those officials who dealt with the Middle East, who had lived in that part of the world, less suspect, or more credible, if you will, in the eyes of Israelis, of Congress, of the public, and to some extent, I must say, of the administration itself.

.....

Q: Are you going to cover Nasserism as a problem at this time?

ATHERTON: The problem for the United States or for the region?

Q: For you, in your position.

ATHERTON: That was another of the problems that I encountered during that period in NE. There was a tendency, and it's always a problem, I think, in the Service and in the Department, in explaining your clients' point of view, to sometimes defend them. And there was a tendency to try to defend some of Nasser's indefensible public statements and positions. I did try to begin to change a tendency to explain and defend Nasser when he had said something particularly outrageous, or did something particularly outrageous, from the point of view of the United States. Nasser's goal was to spread the revolution of Egypt throughout the Arab world, in terms of its political and economic philosophy. He sought to undermine old traditional regimes by

various means, and to win followers who would bring to power governments around the Arab world that would look to Nasser and Egypt as the model. And that did very often put us at odds with him, not only over his attitude towards Israel, which he exploited as a way of building up support for himself by becoming the defender of the Palestinian cause, but also over his attacks on some of our best friends in the Arab world. So Nasserism was a problem for the United States, and one of our jobs was to figure out how to keep the channels open to Cairo, because we certainly recognized that Egypt was the most important state in the Arab world, in terms of its resources, population, strategic location, and its influence. There were periodic attempts to look for ways to improve the relationship. And there were occasional invitations, if Nasser wanted to reciprocate. He was not, I think, totally and irreversibly anti-American by any means. He was very pro-Arab and pro-Egyptian, and he was suspicious of the United States. But he also did not want to be seen as what he really was, to a large extent, a client of the Soviet Union. And we didn't want to say that's Soviet territory and therefore we'll take a hands-off position. We prided ourselves on trying to have relations with both Arabs and Israelis, whereas the Soviets were increasingly in those days solidly in Egypt, in the more radical Arab camp, the camp of the Nasserists and the governments that followed Nasser. We used to call them "radicals." Later on they didn't look so radical in retrospect.

But in any case, a recurrent problem was to try to manage the influence of Nasser in this region, both in terms of keeping it from stirring up the Palestine issue, the Arab-Israeli issue, stirring up anti-American views by appealing to the image that we were neo-colonialists, that we were the successors of the imperialists who had dominated them for so long. We were a convenient whipping boy for Nasser, particularly in the period when he was bogged down in Yemen and he was not as able to demonstrate success for his policies as he had been earlier in his political career. And it was convenient, I think, to divert tensions from that sometimes by picking fights elsewhere or with the United States. Still, with all that, I don't recall that there was any sense that the area was, in such a short period, suddenly going to explode.

ATHERTON: Bob and I said we both have new areas to get to know and to deal with, why don't we take a trip together to the area: the director of the Arab states most involved in the conflict with Israel, and the director of Israeli affairs. So Bob and I organized a joint trip (we called it our Gemini Trip), and we went out together and did an extensive visit to all of his countries, plus Israel, plus the usual stop in London on the way back to consult with our British colleagues, and to go to the theater among other things. It was a good trip.

It took place at a particularly interesting time in April and early May of 1967. With hindsight, we know that by the end of May the crisis loomed that became the Six-Day War. We were there at the end of April and early May.

I wish I could say I came back warning that war clouds were gathering, but, in fact, neither Bob nor I came back with a sense that a major crisis was impending in the area, that a war was about to break out. There wasn't any war talk at that time. There were flare-ups. Some of the militant Palestinian groups, which were not responsive to the PLO-Nasser leadership, were conducting occasional raids across the border into Israel. And the Israelis were retaliating. This created

periodic flare-ups, which the mixed armistice commissions and U.N. observers tried to handle. But actually, there was a combination of things happening, cross currents, if you will, of forces at work, the interaction of which did produce what became a sudden and, I think, totally unanticipated crisis. There were, as I said, occasional flare-ups between Israel and its immediate Arab neighbors, which were precipitated by border raids into Israel, and then Israeli retaliation. And sometimes, the Israeli reactions seemed to many to be over-reactions. Most spectacular, probably, was an Israeli-Syrian air battle. The Israelis used to send in their planes for air cover, when they would run a retaliatory strike across the border against Palestinian strongholds. Once in early 1967, in April sometime, I think, the Syrians sent up planes to intercept the Israeli planes. And the Israelis shot down, my recollection is six or seven Syrian fighters in one quick dogfight, without losing any of their own. This was quite an embarrassment to the Syrians, who immediately began criticizing Nasser (with whom there was the Arab League Defense Pact and, I think, in addition, a bilateral commitment to mutual defense) for not coming to their support against Israeli aggression. So, in addition to the Arab-Israeli tensions, you had Arab-Arab tensions, tensions among Arab countries. You had Nasser being accused by the Syrians of not coming to their rescue. You also had Jordan under King Hussein, who had always looked for any way he could to needle Nasser. He had no love for Nasser who tried to overthrow him, or tried to get his people to overthrow him at times. So Jordan, on its radio and in its press and public statements, was also criticizing Nasser for being bogged down fighting a fellow Arab country in Yemen, when the Israelis were doing all of these terrible things on their borders. So you had internal Arab conflicts. And then, remember, this was still the Cold War. The Soviets defended the Arabs side and portrayed the Israelis as the enemy, under the control of the United States. So you had all of these cross currents. And the crisis that finally blew up, in my opinion without anyone having wanted it, was a result of an interaction of all of these things. I've already mentioned the Syrian disagreement with the Egyptians, and Nasser being criticized by fellow Arabs. He felt, I think, that he had to somehow demonstrate that he was still the defender of all of the Arabs, and the defender of the Arab and Palestinian cause. Then you had Soviets warning the Egyptians that the Israelis had a plan to attack the Syrians, of which there was in fact no evidence. And you also had a situation in which Nasser was trying to recoup his image. One of the results was that the situation escalated very quickly through a series of power plays by Nasser.

This was really the beginning of the chain reaction that led to the '67 Six-Day War, but before going further I want to set the stage in terms of how the Department viewed the area at the time, or at least those who were working on this problem. I can remember coming back from that trip in late April, early May, and making a report to the staff meeting of the bureau, Bob Houghton and I, and basically what we reported was that we didn't see that the area was on the verge of an explosion. The Arab-Israeli crisis seemed to be on the back burner. Many of the Arab countries were more concerned with their own domestic, internal economic problems than they were with trying to fight this war. But there were two questions when we came back. One, the Syrians were talking much more militantly than the other Arab governments. They seemed to be still very much living in a state of war mentality at the time. Talking about getting ready for the next round. We didn't hear this kind of talk in Iraq. So we didn't come back reporting that we had discovered that a war was about to break out. We had reported that there were a couple of question marks. One was the Syrian attitude, with the Syrians in a position, perhaps, to trigger something. The other was question marks about the new stirrings of Palestinian nationalism,

which we began to sense. I can remember writing a memorandum at the time, the title of which was a question mark. It was: "Palestinianism, Anachronism or Wave of the Future?" That sticks in my mind because it really was something that not too many people were even thinking about in those days. But there was just enough talk about Palestinians taking matters into their own hands. And they certainly had the capacity to create crises around the periphery of Israel by terrorist raids, guerrilla raids, even though they were the principal losers. If you count the casualties, it was the Palestinians who lost the most lives in these raids, or combination of the raids plus the retaliations. But nevertheless they were in a position to keep the pot boiling. But still, despite these counter-currents, Bob Houghton and I both really did not feel that we had left an area that was about to blow up. And yet it happened very quickly. As I said a little earlier, Nasser felt, I think, the taunts of the Arabs, and there was what seemed at the time to be false intelligence, disinformation about Israeli plans to attack Syria, coming from the Soviets. Nasser needed to refurbish his own credentials in the Arab world, among his Arab constituents and at home as well. This led to what turned out to be the very fateful decision by Nasser to call for mobilization and to move some of his forces actually into Sinai, on the grounds that he had become persuaded that the Israelis were about to attack Syria, of which we had no intelligence, and the Israelis flatly denied. But Nasser claimed, and the Soviets claimed that their information backed this up, that Israel was about to attack Syria. And of course moving the troops to the Sinai led the Israelis to begin the process of mobilizing their reserves. And then Nasser upped the ante by calling for the U.N. forces, which had been stationed as a screen between Egypt and Israel ever since the '56 Sinai War, to be withdrawn, followed by the unexpectedly rapid compliance with this by Secretary-General U Thant. So all of a sudden, you had no U.N. buffer, you had Nasser moving troops into the Sinai, and you had Israel mobilizing its forces against what it thought might be an attack from Egypt. And that suddenly created a war fever. We're talking now about roughly the third week of May, I think, of 1967.

At that point the decision was made that we'd better go on more of a crisis basis in the department, and a task force was established in the operations center. And it was felt that, as the director of Arab-Israeli Affairs, I was the logical person to be head of the task force. So I was sent up to the operations center for the rest of the crisis. And that's really how I guess I got hooked, and why that Washington tour, which I thought was going to start out with a tour of study at the War College in Carlisle before I was suddenly diverted back into the Arab-Israeli area, that's how it grew from what I thought would be just a normal three or four year Washington tour to a straight thirteen and a half years in Washington working on this problem. It all started when I was sent up to the task force, mobilizing the resources of the Department in case the crisis turned into a war. And of course that's exactly what happened.

The crisis was handled really at two levels. There was the operational level, the task force, and I drew upon the bureau and other parts of the Department: the Intelligence and Research Bureau; the people in charge of the emergency and evacuation plans, in case we had to evacuate Americans; military liaison officers sent over from the Defense Department to sit in our task force; people from the consular bureau to be there to handle any Americans who might be evacuated. We had a full-fledged inter-departmental, inter-agency, task force operating to deal with the flow of communications, memoranda that would go to the principals of the Department, and very frequently, several times a day, at least, situation reports or sitreps on the situation as of that time. So this was one level.

Q: Excuse me, how large was this group that you're speaking of, including everyone, secretaries, etc...?

ATHERTON: Well, it was around-the-clock, and so you had to have three 8-hour shifts, as I recall. Or maybe it was two 12-hours shifts; it seemed that we worked awfully long hours. At any given time, maybe a dozen people, maybe a few more. It was not an enormous number.

We were all in one area of the operations center, and we had our own self-contained system, with the full support of the communications of the Department of State.

We were drowning in paper. We saw everybody's situation reports, and everybody's intelligence reports, and everybody's telegrams coming in from the field, trying to put it all together and make some sense out of it.

Of course the pace increased tremendously as the war approached and after the war broke out. But even in this cold war period, if you will, there was a lot of concern, following the stages of mobilization, the movements of troops. How close were they getting? Were there indications that, in fact, there were offensive moves being planned or being prepared? Did the dispositions suggest somebody getting ready to attack somebody? Never totally clear-cut. It never is, in circumstances like this.

We were there to be the information managers, for filtering and trying to analyze and pass on information for the principals of the Department and for the White House, which had its own people in its own situation room dealing with this problem.

But then there was another level, where the policy and diplomacy of this problem went on. And I think it's interesting, because this level reflects the perception of the Department's policy, or of the Department's attitude towards Israel and the Arabs, on the part of the people who really were in the inner loop, obviously starting with the President, but not the Bureau of Near East Affairs. We were there, but we were not at the center of things.

At the center of things was the Under Secretary for Political Affairs, who was Eugene Rostow, dealing with the National Security Advisor in the White House, who was Walter Rostow, his brother, and therefore very close to the President. Then the other principal figure was Arthur Goldberg, who was the ambassador at the United Nations at the time. A lot of the activity was up there, trying to find ways to defuse the crisis, use the U.N. mechanism to try to buy time and see if the war could be prevented. And his base in the Department of State was not the NEA Bureau, not the Bureau for Near East and South Asian Affairs, but the Bureau of International Organization Affairs, whose Assistant Secretary was Joe Sisco. So the people who were the closest to the action, as I saw it from where I sat, were Joe Sisco, Arthur Goldberg, the two Rostows, and President Johnson.

To some extent, Luke Battle (I'm sure you must have covered this in your discussions with him) was certainly involved in these discussions. But the impression one had was that he was not making the policy so much as being used to help mobilize the resources of his bureau, that the

NEA Bureau was not in charge of this crisis.

I think there was a definite feeling that it would look bad for NEA to be in charge of a situation where the public perceptions and the congressional and the political perceptions in this country were that Israel was being threatened by the Arabs, and by Nasser in particular, who already had a pretty bad public image in this country.

He'd thrown the United Nations Emergency Force out, he'd mobilized his troops, he'd issued some very strong rhetorical statements, some of which were interpreted as meaning that this was a battle to the end, to finally drive Israel into the sea.

I'm saying this was the impression people had, that this was building up to a life and death struggle for Israel. And therefore it was, I guess, viewed as perhaps not politic to have the bureau of the Department which was perceived to be more on the Arab than the Israeli side, running this crisis.

So while, at the operational level, the task force really had a job to do, we were not writing policy recommendations or policy memoranda or even being told what the high-level policy decisions were right away.

I used to occasionally get an idea that I thought would be useful to feed in, and I can remember I had a channel for doing that. It was not to funnel it through the bureau, but to write an informal memorandum and give it to Bob Grey or Tom Enders, who were the senior staff assistants to Gene Rostow. And they would try to get it into Gene Rostow's hands or on the table for a discussion of the group that Gene would pull together from time to time in his office to discuss the next stages of the crisis.

There was one view in the Department, and I tended to favor this, that things had passed the point where a war could be prevented. It had all the smell to me of a Guns of August kind of situation. People had blundered into a situation none of them really wanted. I don't, to this day, believe Nasser wanted a war. He wanted the fruits of victory without having to fight the war. And I don't think the Israelis premeditated, but they were very quick to take advantage of the situation and turn it to advantage. But I think they really were caught by surprise by Nasser's mobilization. They certainly were not thinking in terms of the war in the early days of this crisis.

Q: Did we try to take some actions to defuse it?

ATHERTON: Yes, we did. One of Gene Rostow's main initiatives was to try to organize an international naval force, an international flotilla, whose purpose would be to ensure that the seaways to Israel's southern port of Elat were kept open, which Nasser was threatening to close. By calling for the U.N. forces to be withdrawn, he was, in effect, saying that he was going to go back to the situation that had existed before the 1956 War, which meant blockading the Straits of Tiran and the approaches to the Gulf of Aqaba and to Elat, Israel's southern port. That, Israel had always said, would be a casus belli. But Nasser went ahead. The blockade hadn't been tested, but the assumption was that if Nasser had been tested, he would have had to make good on his threats that he was going to deny Israel the right to passage through the Straits into the Gulf and

to Elat.

So Rostow's concept was to develop an international maritime force, with other countries, not just the United States involved, that would exercise the right of free passage there and would, in effect, be there and keep the Gulf open for Israeli shipping.

A little research revealed that in fact there had not been very much Israeli shipping through that port in those days. The port had not been all that much developed. So it was not so much a threat to Israel's economic life as it was a political threat, to turn back the clock to a situation that had existed before the '56 War. Israel felt that it had been denied the fruits of victory after the '56 War by U.S. pressure to withdraw from Sinai. One of the compensations it achieved was the opening of the Straits of Tiran and the beginning of the development of Elat as a port, so Israel would have a window to the south as well as to the north. The principal economic ports were still Haifa and, I guess, Ashdod, which were both on the Mediterranean. But still, from the Israeli point of view, it was understandable. They saw the one thing they had accomplished, they felt, from the victory in the '56 War, being wiped out by Nasser's unilateral action.

And so the focal point was: How do you keep the Straits open and therefore prevent the Israelis from doing it by force. Because they had said that this was a *casus belli* -- they had never made a secret of it.

They also said that they had a firm commitment from the U.S. government, in the time of Eisenhower and John Foster Dulles, that we would use whatever means we had to use to ensure that the Straits were kept open.

Well, the first thing we discovered was that we couldn't find any record of that commitment in the Department archives or the Department records. The Israelis produced their memorandum of those conversations, which, from their point of view, clearly demonstrated that they felt they had such a commitment. My recollection is that we finally found the American record in the Eisenhower Library, in Gettysburg, at some point.

But there was a lot of confusion about how firm and unequivocal the American commitment to Israel had been. And clearly they felt we were not acting strongly enough, that we were looking for ways out, we were trying to get out of a unilateral responsibility by bringing in the international fleet that they had very little confidence would succeed. And they were right. It didn't succeed.

But there was an effort to find ways to persuade the Israelis that there were alternatives to military action.

There were, I think, arguments internally in Israel at the time, between those who wanted to move quickly, militarily, while they still had an element of surprise and before Nasser and the Arabs were fully mobilized, and those who said we mustn't move against the wishes of the United States, we must find a way to give the United States time to try to deal with this diplomatically.

And these two arguments were brought to a head when the Israeli government sent Abba Eban, who was the Foreign Minister, to Washington for meetings. As I recall, the key meetings took place before and on May 26, 1967, with the Secretary of Defense, with the Secretary of State, and with the President.

I should say, incidentally, that Secretary of State Rusk was following this and occasionally intervening, but he was not one of the principal actors on a day-to-day basis. One of the reasons why the President and the American government were trying to prevent a war, and trying to avoid getting us in a situation where we might have to actually intervene militarily, was that we were already deeply engaged in the Vietnamese War, and we didn't want a Middle East war that would further complicate things.

There was a definite effort, therefore, to try to persuade the Israelis to delay, while the Israelis were concerned that they were going to be the fall guys. And it came to a head in this round of meetings, with Abba Eban seeing the President and Secretary Rusk, seeing the Rostows, seeing Goldberg, seeing the Secretary of Defense, who was McNamara.

Eban clearly did not receive assurances to convey back to Israel that were persuasive enough to carry the day for delaying military action. And there are many who say that the actual decision was made then, even though the war didn't start for another week or so.

Another development which may have weighed in the balance of the Israeli judgment that they had to go ahead and move was Nasser's offer to send his vice president to Washington to talk about how to defuse the crisis. This was announced publicly, and we announced that we would welcome a visit by Vice President Zakaria Mohieddine. And I suspect that probably reinforced the Israelis who wanted to move militarily because it looked as though a deal was in the making, between the United States and Nasser, which would leave them in a position of having mobilized and the Egyptians still in Sinai. They couldn't demobilize if the Egyptian armies were mobilized in Sinai. For Israel mobilization, on a sustained basis, was a very expensive proposition. It meant that all the able-bodied manpower in the country, all members of the reserves, were activated to join their military units. It meant a lot of people taken out of the civilian economy. It cost a lot of money, and Israel could not sustain indefinitely a state of mobilization without resolving it one way or the other. So there were all sorts of pressures upon the Israelis to move. And that's, in effect, what they finally did.

On the morning of the fifth of June they launched a preemptive strike against the Egyptian front and in the first instance an air strike against the Egyptian Air Force, catching it on the ground and virtually immobilizing the Egyptian Air Force from the very first hours of the war.

I have said earlier that some of us had tried to suggest a somewhat different posture for the United States at the time, feeling that war was coming, that we couldn't stop it, that irreversible forces had taken over and it had gone too far. This was also based on the premise, those of us who had come up with this, that the Israelis had the military strength to prevail, that they were not in danger of being defeated or being driven into the sea, that they would win a war on all three fronts simultaneously, if it came to that, with superior organization, motivation, equipment and everything else, and therefore that the United States ought to try to put a little distance

between ourselves and the Israelis -- not to be seen to tell them that we were turning our backs on them, but basically to stop trying actively to prevent the war. Because everything we did to try to prevent the war -- for example to international maritime force idea -- was seen in the Arab world as an attempt to defend Israel and to prevent the Arabs from taking advantage of the situation. We were being seen increasingly as clearly leaning on the side of the Israelis in this pre-war period, by statements, by public opinion, by the press, by the way our media was handling this, and by our own diplomacy. We were having intimate discussions with the Israelis. So some of us felt that maybe we ought to be a little more passive, let the war happen, not be seen to have been a partisan once removed, so that when the war was over we would be able to play the role of an honest broker in trying to pick up the pieces and put things back together again. We would not be seen as discredited, if you will, through ties with one side of the conflict. We were concerned about relations with the Arab world, which obviously was very important to us.

But anyway, this was a point of view that needless to say did not prevail. It was not really welcomed. It's unheard of when you think a war's going to happen, if you don't try to stop it. And the image was that this was very much a case of white hats versus black hats in this war. The American public was overwhelmingly on Israel's side in this war and saw Nasser as the devil incarnate practically. And so every report of Israeli victory was that much more welcomed. And when the war went from Sinai to the West Bank and Jerusalem and then the Golan Heights, and Israel, in six days, had occupied all of the Sinai and all of the West Bank of Jordan, and of Gaza, and all of the City of Jerusalem and a large piece of southern Syria, the map of the Middle East had been changed. As it turns out, 23 years later, probably in many ways irreversibly.

Well, the scene shifted of course at this stage, once the cease-fire was put in place, to New York and: What do you do now? Do you go back to the status quo ante? Do you take this as a new status quo and try to build on it for the future?

Q: Could I interject something here? Could you tell us a little bit here about the influence of the Soviets in this whole picture and what our attitude was? How the Soviet attitude sort of influenced our thinking and our policies.

ATHERTON: Well, we clearly felt that the Soviets had played a mischievous role, to say the least. We had intelligence evidence that they had been telling the Egyptians and others that Israel was going to launch a strike against the Syrians, that they had contributed to the crisis. And of course the Soviets were the arms supplier of both the Egyptians and the Syrians in this war. Not the Jordanians; they had American arms and British arms, mostly American by then. But the Soviets were clearly seen as the backers of two of the three Arab participants in the war. And we were seen as the backers of the Israelis.

There were communications with the Soviets. One thing I remember very clearly, in the very first hours of the war, when we were just beginning to get reports that the Israeli troops were moving into Sinai and the air forces had moved, Secretary of State Dean Rusk walked into the operations center and said, "I want to send a message to Gromyko."

One of the very first messages in that crisis was the message from him to Gromyko, the gist of

which was that I assure your government we do not have anything to do with starting this war, and our objective is to limit it and try to bring it to an end. And we expect similar reactions from the Soviets. I'm not quoting precisely, but that was the sense of the message. So one of the very first things on our minds was to not let this turn into a U.S.-Soviet confrontation.

And the Soviets quite reciprocated. Once the war started, they couldn't have been more engaged in trying to work towards a cease-fire. Of course they called for a cease-fire with a return to the lines where the war began. They wanted the cease-fire and for the Israelis to pull back. And we were working for a cease-fire in place.

Of course that was the only way it was going to end. The Israelis had such a total victory, moving all the way to the Suez Canal and all the other places they had seized, there was no way that they were going to pull back. Even if the U.N. had passed a unanimous resolution calling for them to pull back to the lines from which the war started, which were the old armistice lines, they clearly were not going to do it.

And we were not about to ask them to do that. Our position was that a cease-fire was not a time to try to restore the status quo ante. American thinking quickly came to the conclusion that we should take advantage of this situation to try to create an opportunity for resolving the crisis, the conflict, not just going back to the old armistice regime that had existed before.

That was the main thrust of the first major policy speech which President Johnson gave very soon after the war. The 19th of June sticks in my mind as the date of Johnson's statement of policy, the thrust of which was that there should be no turning back of the clock, that the Israelis should be permitted to remain where they were until there was peace, until the Arab side made peace with them. Implicit in our position was that Israel had suddenly acquired all of this territory, which we saw as occupied territory, and these territories were chips in Israeli hands to trade for Arab acceptance and peace.

If you go back and read that speech of Johnson's, it was full of language which eventually found its way into Resolution 242, of November 22, which was the resolution that finally provided the framework for peace efforts. The concept of trading territory for peace -- peace and not just a new armistice agreement, a genuine recognition of each side by the other, and a solution to the refugee problem, and I think there was also something in it about putting the lid on the arms race in the region, trying to get some real arms control.

The action really was largely in New York at this stage, and it stayed there from June until November. Attempts were being made to draft resolutions that would be supported by both the United States and the Soviet Union and by the Arab states and by Israel and by the world community generally to resolve what was still obviously a crisis situation with the Israeli army in occupation of a lot of Arab territory. A new refugee problem had been created. A lot of the Palestinians who had been refugees from the first Arab-Israeli War, living on the West Bank, had fled again and were now across the Jordan River in Jordan.

And we were busy in the Department working on various peace ideas of our own, but of course we were working in something of a vacuum until there was an international consensus.

The Arabs wanted as much as possible to go back to what had existed before. They didn't want to commit themselves to recognition and peace with Israel. Having just had a humiliating military defeat, they were, I think, in a state of psychological shock. It was probably impossible for them, in that state, to think about sitting down with the Israelis and making peace.

The Israelis had no sense of urgency. They felt secure. They had no military threats, for the first time in their memory as a nation, on any of their frontiers. I can remember Ave Harmon, who was the Israeli ambassador here at the time, saying "Never again will Syrian guns be firing on Israeli civilian settlements, because we now occupy the high ground." And of course one of the ironies is that when the next war broke out in '73, there were new Israeli settlements up on the Golan Heights, and they were the first victims of the Syrian advance.

But anyway, at that time there was euphoria in Israel and depression virtually, if you use that term to describe a national mood, in most of the Arab world. Certainly humiliation. I didn't realize at the time how much of a trauma that defeat had been. Many years later I met a lot of Egyptians who told me about their own personal reactions. Many felt they had been deceived by their government, that Nasser had lied to them.

Perhaps we ought to go back a little bit and recall what happened in the first days of that war, when it was obvious that the Israelis were moving very rapidly militarily.

Radio Cairo charged that the United States Air Force had been supporting the Israelis, and that's why they were having such victories. At the time this charge was accepted by public opinion very broadly in the Arab world. Even King Hussein, who was basically more inclined to be prudent and rational, got caught up in this hysteria.

So there was a general reaction against the United States, against our citizens. Relations were broken almost overnight with us by most of the Arab countries, including Egypt.

There was a very worrisome time while we worked on plans to get Americans out of this area. We had not had time for an advance evacuation; the war came on so suddenly. But evacuations had to be arranged as the war went on, so a major part of our efforts as a government were in trying to organize transport and evacuation plans. The Americans in Cairo went by train to Alexandria. Ships had to go in to take them off. People were airlifted out of Jordan, out of Syria, out of Lebanon. Lebanon of course never was in the war. But still, we evacuated everywhere, leaving skeleton staffs in some cases.

With relations broken, we quickly made arrangements with other countries to represent our interests. In Cairo, the Spanish government became the protecting power for American interests. But by agreement with most of the governments, we were able to keep a small American staff. In Egypt, we had a small number of Americans who stayed on under the Spanish flag. Jordan never broke relations. We had a period of coolness, but they did not break relations. None of the Gulf Arabs broke relations.

ATHERTON: Meanwhile, the cease-fire was seriously deteriorating along the Suez Canal and also along the Jordanian cease-fire line. The only one that was really quiet by that time was the Syrian line. The Syrians kept that very quiet. There were Palestinian raids across the Jordanian line against the Israelis in occupied territory. And there were actual artillery duels and rather serious breakdowns of the cease-fire at times, along the Suez Canal cease-fire line.

Q: You're talking around 1970?

ATHERTON: We're talking now about early 1970. We really had underway, not a full-fledged war, but a war of attrition. It was mostly the Egyptians trying to wear down the Israelis along the canal by artillery bombardments. And the Israelis trying to wear down the Egyptians by counter-fire or by air. The Israelis were able to launch air strikes across Egyptian territory, whereas the Egyptians didn't have an air force. They had a pretty good air defense system.

Q: They had these SAM missiles there...

ATHERTON: They had SAM missiles provided by the Soviets. But still, the situation was getting increasingly nervous. The Israelis were striking deeper and deeper with their air power into Egypt. And they were using new aircraft that had been provided by the United States, so we were kind of associated with it. They had recently received their first installments of F4 Phantoms, which then was the state of the art. The Phantom plane was a good fighter bomber, it had good range and was superior to anything in the area at the time. The Phantoms were getting behind the Egyptian lines, not just across the canal, but further back, including installations along the Nile, and I think there were some bombing raids that were on the outskirts of Cairo. I can remember Don Bergus, who was then head of our Interests Section in Cairo, sending in a message saying: The concussion from the last Israeli strikes broke all the windows in the American Community School. They were not hitting at Cairo, they were hitting at industrial sites outside of Cairo, but still it was close enough so that they did have some broken windows at the school.

Anyway, the situation was getting dicey. The Soviets were under pressure to put in personnel and air defenses to protect Nasser against the Phantoms. And we got into one of those arguments about the Israelis wanting more aircraft. Bill Rogers took the position that that would inflame the Arabs, and we should be working to calm the situation, and therefore we should put on ice the Israeli request for additional aircraft. They wanted more Phantoms.

This was one of the big splits that occurred over the Middle East between the White House and the State Department. Kissinger took the position that we should support our allies; the Israelis were our friends. And, as he put it, you can't let American arms be defeated by Soviet arms. And therefore if the Soviets are going to put in anti-aircraft missiles, we have to counter this with more aircraft for the Israelis. He saw this in a Cold War context as a U.S.-Soviet showdown, whereas we in the State Department saw it more in Arab-Israeli terms -- a conflict where we should try to calm the atmosphere and get the Jarring mission working again.

This was when finally we came up with another initiative, which later became known as the

Rogers Plan Number Two. Secretary Rogers proposed a cease-fire along the cease-fire lines.

Q: Excuse me, we always talk about the Rogers Plan. Who actually wrote it?

ATHERTON: Well, the speech that became the first Rogers Plan was pretty much drafted, to my recollection, by Rogers and Joe Sisco, with some help from Bob McCloskey, who was the spokesman, and I got asked to provide bits and pieces of language.

The second one was a double-barreled proposal. It was a proposal to restore the cease-fire along the Suez Canal and also along the Jordanian-Israeli armistice line, because there had been some breakdown there, too, but not as serious. But also it included a formula which we would ask all three parties -- Egypt, Jordan, and Israel -- to accept as a basis for getting the Jarring mission to move. It had some new language, the nuances of which I can't remember any more, about withdrawal and peace, the same old formula, but it was a new way to package that formula and try to get something that was acceptable to both sides, and it called for a cease-fire.

By this time, by the way, we were dealing directly with Nasser through our mission in Cairo. We were not dealing any more through the Soviets as we had during the Dobrynin talks, when we had relied on the Soviets to talk to Egypt and we had talked to the Israelis, to the extent we talked to them at all. We decided we would carry out our own direct dialogue. We would negotiate this as a U.S. negotiation with the Egyptians and with the Israelis and with the Jordanians, and simply brief the Soviets and keep them informed.

The Soviets' incentive was to try to let us succeed, because, though they didn't like being cut out of it, they were concerned that another war might break out and that there would be a further bloodying of their friends, or that they would be called upon to put in forces to try to save Nasser. They really were quite concerned. They already had large numbers of military personnel in Egypt, training missions for the equipment that had been supplied, but also training the Egyptians on manning the anti-aircraft batteries right up in the combat zone. And there were some Soviet fighter aircraft in Egypt, which were principally there to protect the Soviet personnel. Clearly it was a situation fraught with danger for the Soviets. There were some documented cases, though the Soviets never admitted it, where the Israelis caused Soviet casualties. And they could see themselves getting drawn more deeply into this conflict, which must have looked like a no-win situation to them -- the lack of any real Egyptian military capability and the fact that the Israelis were very strong and had this new Phantom aircraft in their inventory, which were long range and had quite a lot of firepower. So the Soviets had some incentive to see the cease-fire restored, and therefore they didn't try to interrupt the efforts. We kept them briefed, but we dealt directly with the Egyptians and the Jordanians and the Israelis.

And an unwritten part of this, which we clarified, was an understanding that not only would there be a cease-fire, which was scheduled to go into effect after we worked out all the meticulous details, there would also be a stand-still. Once the cease-fire went into effect, no military equipment could be moved closer to the cease-fire lines. That was designed to keep the Egyptians, with Soviet help, from moving the anti-aircraft defenses even closer to the canal and therefore closer to Israeli-occupied territory.

To the great surprise, to some extent our surprise, certainly it was a great surprise to the Israelis, we got word that Nasser accepted our cease-fire proposal and the formula for getting peace talks going, which had language in it that he had not accepted back in the days of the Sisco-Dobrynin talks, about peace. But he was willing to go a bit further than with this commitment. So he accepted the language without changing even a comma in this formula, and said to let him know when the Israelis were ready, and we will pick a time, and I will give orders for the troops to stop firing, and the Israelis will do the same. Incidentally, at some point along the way Hussein also accepted the formula.

The problem then was to get Israeli acceptance. The Israelis were quite happy to have the cease-fire, but they did not like the language of the formula. It sounded too much like the Rogers Plan to them, and therefore they wanted to rewrite the formula. There were long, long conversations between Wally Barbour, our ambassador in Tel Aviv, and Mrs. Meir, who was then the prime minister, and between Joe Sisco and Ambassador Rabin, who was then the Israeli ambassador in Washington. The final conversation that I recall was in Joe Sisco's office. I was on another phone, listening, and he talked directly to Prime Minister Meir, in Israel, saying, "Madame Prime Minister, this is a very important moment for this formula. This is an opportunity to bring not only an end to the shooting, but to try to launch a peace process. But you must accept on the same basis as the Egyptians and the Jordanians"

And her argument was that she accepted the principles, but they wanted to say it in their own words. But of course the words were the key. If you said it in different words, it wouldn't be the same formula. The key to the success was having all parties accept the same form of words. But she was quite adamant that she would not do this, that she didn't have authority from her government, the Knesset would have to discuss it. It was quite a tough conversation. She could not persuade Joe, but it was a draw because she couldn't persuade him and he couldn't persuade her that this was the only way to go.

And then the decision was made that we would simply announce that all the parties had accepted the peace proposal. And so that's what we did. We simply made a press statement that the Egyptians, as well as the Israelis, had all accepted our proposal, and we would give the formula to Jarring who could be back in business, and we would work through the two sides to try to get the cease-fire in effect. Working in Israel, as I recall, through Dayan, who was minister of defense.

Anyway, there were frantic exchanges of flash telegrams going back and forth, right up to the minute that the cease-fire was in effect, to make sure that the orders got out to the troops to stop firing. There had to be a lead time. But it did go into effect, and reports came back that it was holding, that everything was under control. And Jarring was already announcing that he was coming to Cairo, and he was going to Jerusalem and he was going to Amman, and it looked like we may have had a success on our hands.

And then two things happened. First of all, in Israel, the coalition collapsed, because Mr. Begin, who had been in the coalition up to that time, said that this formula, which accepted that Resolution 242 calling for withdrawal from occupied territory applied to the West Bank, was not his understanding of 242. It was not his party's decision, and he could not accept. So he took his

party out of the coalition. Not because of the cease-fire, which he supported, but because it, in effect, called for Israel to withdraw from part of Palestine. We should have known from that, that when he became prime minister that would become the new Israeli position, that 242 did not call for withdrawal from any of that particular bit of territory, that was his interpretation of Resolution 242. The result was a smaller coalition government in Israel, with Begin out of it.

But the other thing that happened, which was really the devastating blow to the whole peace formula, was that intelligence reports came in, first to the Israelis and then to us, that the Egyptians, with Russian help, were moving some of their anti-aircraft missiles up closer to the canal, which was a direct violation of the stand-still provisions of the cease-fire. To this day it is hard to understand how they thought they could do this and get away with it. I think that there was some claim that they hadn't really understood that this was what it meant. There was a lot of double-talk.

The fact was that the Israelis announced that they were going to freeze the peace negotiations. They were not going to receive Jarring. The peace formula would be on ice until we had rectified the violations of the cease-fire. The question was: What do you mean by rectified? The answer was: Force the Russians and the Egyptians to pull back those anti-aircraft missiles to where they were.

Well, we did remonstrate with the Egyptians and the Russians, but we couldn't, without sending in the Marines, force them to withdraw. And Nasser was not about to. He had gained military advantage under cover of the cease-fire, and he was going to hang onto that military advantage.

Therefore the Israelis said: Well, if you can't rectify the violations by restoring the status quo ante, then the other way to rectify it is to give us additional military equipment to offset this.

So that became the basis for an Israeli request for more airplanes and more sophisticated equipment, including some rather sophisticated electronic equipment, radar detection, etc. -- things that we had, up to that point I think, only used with our own forces in Vietnam, that, to my knowledge, had never even shared with our allies, although I could be wrong about this. Certainly some of the electronic gear was really state of the art.

In any case, we did agree, after a bit of a struggle between the White House and the Department. Secretary Rogers still wanted to try to restore the diplomatic process and hold up on the arms as a way of not provoking the Arabs, and maybe a little pressure on the Israelis in the process. But it didn't hold politically. The president, in this case, backed Israel and over-ruled the Secretary and agreed that we would move forward with the arms that Israel wanted and that we had had on hold for some time.

The diplomatic side of Rogers Plan Number Two never got off the ground. The Jarring mission didn't get back into business. He went through the motions of talking about it, but he had really nothing to work with.

But the cease-fire did hold. That cease-fire held from the summer of 1970 until the outbreak of the so-called Yom Kippur or the Ramadan War in October of 1973. So it did have some success,

but it didn't help the peace process.

Let me back up and give a little background to all this. Sisco and I had previously made a trip to the area, in April 1970, to try to see if we could put the diplomatic efforts back on the track. Rogers sent Sisco out to see Nasser and to see the Israeli government. There was also to be a side trip to Jordan, but it was cancelled because of the security situation there. Sisco and I had a meeting with Nasser (the only time I ever met Nasser), seeking to restore a direct channel to him and to elicit his cooperation in new peace efforts. We got no commitments at the time, but Nasser gave a speech May 1 calling on the U.S. to take an initiative, which was part of the stage setting for what became Rogers Plan II. Events elsewhere in the region were also part of the background, however.

ATHERTON: President Nasser of Egypt tried to mediate this. He tried to find the basis for resolving the conflict between the Palestinians and the Jordanians, saying we shouldn't be fighting among ourselves when we have the common enemy Israel, that we should be worrying about preventing a spectacle of disunity among the Arabs. In fact, as I recall, Nasser had brought Arafat and Hussein to Egypt in an attempt to get them to find a way of resolving the conflict that would meet both of their requirements. He had not succeeded in totally resolving it, when he had a heart attack. This was September of 1970, and many people said Nasser's heart attack was at least in part attributable to his exhaustion from efforts to resolve this conflict.

In any case, that left a big question about who would be the next leader of Egypt. The PLO-Jordanian situation was resolved, in effect, by a Jordanian victory, and the PLO pulling its forces out of Jordan. The Jordanians had put up a good military showing against the Syrians, against the background of the Israelis, encouraged by Kissinger, signaling to the Syrians that if they seriously threatened Hussein, they would have to contend with the Israelis.

This was also seen by Kissinger as a signal, by the way, to the Soviets. He saw the Soviets as putting the Syrians up to this. Historically, I think the evidence doesn't support that. And there were many who contended it was a distortion to turn this into a Cold War kind of issue, that it was very much a Syrian attempt to support Palestinians against the Jordanians, and that the Soviet role was nonexistent or certainly marginal. But in any case, the account of it is in Kissinger's book and his version was that it was a lesson to the Soviets. Certainly Richard Nixon looked at it that way. Many others, including myself, who were involved in the situation at the time, never saw convincing evidence, frankly, that the Soviets were putting the Syrians up to this at all. Obviously if Hussein had been overthrown by the Syrians, it would have been an advantage to the Soviets to have a state that they were closely supportive of, defeat a state that was closely associated with us, namely the Jordanians. So the Soviets would have stood to benefit from it, but there was no evidence that they were involved in trying to stimulate it. In any case, that was resolved for the time being. The PLO withdrew its military forces and began to reestablish itself, in the only territory in the area where they could establish an independent base, and that was in southern Lebanon. Southern Lebanon became the new PLO territorial base, beginning in 1970-1971.

Meanwhile, shifting to the Egyptian side, there remained the question of the successor to Nasser. Interestingly enough, we, the U.S. government, were quite caught off guard by Nasser's death. We didn't have diplomatic relations at the time, remember. We had an Interests Section in Cairo, and they tried to keep us informed of what was happening, but we did not have an ambassadorial level diplomatic representative. And there was a very big question mark about who was going to take over after Nasser's death. In fact there was something of a power struggle for the succession.

The immediate succession, under the constitution, went to Anwar Sadat, who was speaker, as I recall, of the Peoples' Assembly at the time. The constitutional provision was that the speaker would take over until there could be an election of a president. The election normally was carried out then, as is now the case, by the Parliament. The Parliament would vote on the successor, and then there would be a referendum to endorse it. It was not a popular election. It was an election within the Peoples' Assembly, which is the Egyptian Parliament.

In any case, Anwar Sadat, who was very little known to most of us in Washington, suddenly emerged as the temporary ruler. But quite clearly he had not established that he was going to be the People's Assembly's choice. There were many contenders. Some of the Nasser lieutenants who had ensconced themselves in the security services, and in the military in particular, felt that they were the logical successors, they were the Nasser loyalists. Sadat, though he had been chosen by Nasser to be the speaker, was never quite part of that inner circle. In fact he had been considered a bit of a maverick.

It turned out, incidentally, that through either foresight or luck, Sadat had been brought to the States as an IV, important visitor, under the program that the USIA sponsors to bring potential senior figures of other governments to this country.

The person who perhaps knew more than anybody else about Sadat, in Washington, was Michael Sterner. Mike Sterner was assigned as Sadat's escort officer on that visit, and went around the country with him to places like Disneyland and others, and so he got to know him. Luke Battle, who had been the ambassador in Cairo before the '67 War, had known him in those days. So there was some knowledge. But in the historical memory of the State Department, there wasn't a lot of information about what kind of a person he was, how he would perform. Was he really just going to be temporary and overthrown by stronger forces trying to replace him? Well, as it turned out, Sadat was stronger and cannier than all of the others, but it wasn't immediately apparent.

What was apparent was that there was an opportunity, with Nasser's death, to begin to mend the relationship with Egypt and possibly even get Egypt back engaged in some kind of an effort towards resuming the peace process, or getting the peace process started, since it had never really got started.

In those days, remember, we were still talking in terms of the U.N. mission, headed by Gunnar Jarring, as the instrument for negotiating or for helping the parties negotiate a peace.

In any case, the opportunity presented itself to try to improve the relationship. The first step in this, after some preliminary exchanges, was the decision that Secretary of State Bill Rogers

should visit the Middle East.

The Jordanian situation had been brought back under control. The cease-fire, which we had helped launch, was in effect. The fighting of the war of attrition along the Suez Canal cease-fire line with Israel had ceased. The cease-fire was holding.

It seemed like an opportune moment to try to see if there wasn't a basis for negotiations based on Resolution 242, beginning with Egypt and Israel.

So the visit was basically a visit to Egypt and to Israel by Secretary Rogers. I think he made a couple of other stops, but without checking the record I'm not entirely sure where else he went. But the important stops, from the point of view of our policy efforts, were clearly Egypt and Israel.

I was along as a member of the party, along with Joe Sisco. I was by this time deputy assistant secretary of the Near East bureau, and Joe Sisco was assistant secretary.

We had a fascinating exposure to Sadat, the kind of person he was. He was very frank. He was very forthcoming in the meetings with him. Made no bones of the fact that he wanted to see an improved relationship with the United States. Talked rather freely, and some people thought perhaps he was a little indiscreet, about how he didn't want Egypt to continue to be seen as a Soviet client. Even talked very frankly to Rogers, in a private meeting, which Rogers later conveyed to us, about his internal problems with some of Nasser's lieutenants who were trying to pull a power play and seize power from Sadat.

Sadat told Bill Rogers, "You watch, I'm going to have to take some very tough measures over the weeks ahead. And once I've done that, then I want to get back and talk to you about where we can go in the peace efforts."

And sure enough, Sadat got rid of a potential coup against him. He mounted a counter-coup. Two of Nasser's principal lieutenants were arrested. Ali Sabri, being the principal one, was sent to jail, and in fact were still in jail when I went to Egypt in 1979.

Q: Who was the other one?

ATHERTON: Ali Sabri is the one I remember. I can't remember who the other one was. But he also changed chiefs of staff. I think the chief of staff was involved in this, or some of the senior military men at least.

And the result was that Sadat turned the tables on this power play. He ended up pulling the power play and establishing his authority, and then legitimatizing his position through the carrying out of the provisions of the constitution for election and popular endorsement.

This was 1971. The Rogers visit, by the way, was in June of '71, maybe it was April, anyway it was early in the year. And everything Sadat predicted to Rogers he would do, he did.

Rogers went to Israel after Egypt, as I recall, and reported to the Israeli government some of the encouraging indications that perhaps there would be a new wind blowing in Cairo and perhaps there was a chance to move from the war of attrition, from a cease-fire towards some kind of a negotiating process.

The Israelis were quite interested in this and wanted to convey back to the Egyptians, to Sadat, that they would be interested in any thoughts and proposals that might be forthcoming. So Joe Sisco and I were delegated by Rogers to fly back to Cairo. We went on, as I recall, from Israel to Italy, and then Joe and I turned around in Rome and flew back to Egypt and had a follow-up meeting with Sadat and some of his people and probed a bit more what his intentions were and also conveyed to him, the receptivity of the Israelis at least to listen to potential ideas about negotiations. There were no specific proposals as I recall, and the positions were still very far apart, but there was a change in the mood, in the atmosphere, we all sensed.

Sadat followed this up actually with a proposal that he made in a public speech. The proposal was for what came to be called an interim Suez Canal agreement. Sadat's idea was that you could arrange for a mutual Israeli-Egyptian pull-back from the canal, create a neutral zone or zone free of forces. The main objective of course was to get the Israelis to pull back from the east bank of the canal some distance, and then begin the process of clearing out the Suez Canal and getting it open again to international traffic. This would be a token of everybody's intention to return to a peaceful situation .

This idea, I think, was first floated by the Israeli idea, originating almost certainly with Moshe Dayan, but floated through an Israeli writer, I think he was a professor at the time, who did a story which appeared in *The New York Times* Sunday magazine. And it had in it the germ of this idea of perhaps putting some demilitarized space between the Israelis and the Egyptians.

Mrs. Meir, who was then the prime minister of Israel, responded in a public statement, taking note of the Sadat proposal and sort of indicating that this was something the Israelis would be willing to talk about.

So it looked to us, in Washington, as though there was an opening, and therefore another mission to the Middle East was cranked up. At Secretary Rogers's instructions, with the approval of the White House, though with skepticism at least on the part of Henry Kissinger that anything would come of it, Joe Sisco and I were sent back to try to put together the elements of such an agreement.

We spent some time at first preparing what seemed to us the elements of the agreement. We actually did some drafting. We had some ideas we reduced to formulations on paper that would, when you put them all together, constitute the elements of what could become an Egyptian-Israeli limited agreement on getting the canal open, as a basis for creating a better atmosphere for resuming the broader peace process. We drew heavily on some of the language in the old Rogers Plan, a lot of his formulations. It was never designed to be the draft or the blueprint of a peace treaty. It was not that far reaching. It was just what its name implied, an interim agreement focused on getting the Suez Canal open, but as a basis for further negotiations to get some kind of process started which could be built upon.

We laid out all these suggestions. We had had some exchanges also with the Egyptians, and thought that we had a proposal that the Egyptians would accept, which the Israelis, as the occupiers, who were going to have to pull back from the canal, would buy. And we spent several days laying this out step by step, meeting with Mrs. Meir and members of the Cabinet, discussing it. And at the very end of the, almost a week I think, we were there, with the Israelis having detailed discussion, and then we had to cool our heels while the Israeli government took a couple of days to debate internally whether or not to accept what became by then known as the Sisco proposals as a basis for getting the Egyptians engaged.

It was a rather pleasant couple of days, to my recollection, because Joe and I spent a lot of time around the swimming pool at Ambassador Barbour's residence, and went out and played some golf at the Caesaria golf course, and finally got our summons that we were going to get the Israeli answer.

The Israeli answer was a flat no. Mrs. Meir didn't object to the concept, in fact she had accepted the concept. But we felt to make it salable to the Egyptians, there would have to be some symbolic Egyptian establishment of its presence east of the Suez Canal, in the area that the Israelis would pull back from. And so our proposal contained the provision that the Israelis would agree that there would be some very limited number of Egyptian lightly armed security forces, but not military, not with heavy military equipment, but uniformed personnel with some light arms, in the area east of the canal. Sadat thought this was the minimum fig leaf so he would be able to say that he had reestablished Egyptian sovereignty in this area.

And that was the part, I recall, more than any other part, that Mrs. Meir and the Israeli government generally rejected. I can recall her words: "Not one Egyptian soldier will ever again set foot on the east bank of the Suez Canal." Well, this was 1971. Two years later, several Egyptian divisions were on the east bank when the '73 war broke out. By that time she was determined that there would be no military presence.

There was apparently quite a debate about this, internally. Our information was that Dayan had wanted to accept it, he had been encouraging her to be more flexible. You have to understand that, even at the close of the '67 War, Dayan had opposed the idea of a static defense line on the Suez Canal. Once Egypt had been driven back, he favored leaving the east bank unoccupied, so that the Egyptians wouldn't see the daily humiliation of Israeli troops right across the canal from their troops. He felt that, psychologically, it was important that the Egyptians not be seen to be opposite the gun barrels of the Israelis, so to speak. And also he felt, I think, that militarily it was a better situation not to get tied to a static defense line.

And of course he was overruled, and the Israelis established the Bar Lev line, which was a very strongly fortified line, with interconnecting trenches and tunnels and reinforcements, right on the east bank of the canal. That's where they were dug in, and they were going to stay there.

I have to tell one little anecdote, which I think is revealing in light of later events. One of the things that Joe Sisco and I did during this period, while we were not negotiating with the Israelis, was to take a tour down to see the defense line along the canal, to see the ground. We were flown

down by the Israeli chief of staff, Chaim Bar Lev, after whom the line was named, who had a pilot's license. And he flew us down in a small observer plane, bouncing along. We did not fly all the way up to the canal, but to a landing strip back from the canal, and then went by road up to the canal, by a reasonably safe route, so we weren't under direct observation of Egyptian gunners.

By this time, of course, the Israeli media had picked up what it was that was being discussed, that there was discussion of a possible agreement under which Israel would pull back some distance from the canal.

The commander of the forces on the canal at that time was Ariel Sharon. And as we were leaving, Sharon went to see us off, and Joe said, "Nice to see you, and I hope we'll see you again some time."

And Sharon said, "Yes, right here on the canal."

He was dug in. He was determined that they would not sign this agreement. Hard-liner to the end.

So we didn't get the agreement. We had to report to the Egyptians that it did not work.

Sisco was always full of new ideas. He wasn't one to say: Well, that didn't work, too bad, and forget it. He came up with a proposal for what became known as a variation of the concept of proximity talks. Let's try to get Israeli and Egyptian representatives in the same hotel, and then we can shuttle between them, behind closed doors of the hotel, and see if we can't work out some of these differences. Let's not give up. And so the concept of hotel talks became the next subject of discussion -- without, again, ever getting off the ground.

In fact, by the end of 1971, it was clear that there was no bridging the gap between the Egyptians and the Israelis on an interim Suez Canal agreement. And in fairness, Sadat had wanted much more than just a token pull-back. He had originally wanted to have the Israelis pull back behind the Sinai passes, which was a good distance and quite a strategic withdrawal. We had to tell him from the beginning it was unrealistic to expect that in an interim agreement, the Israelis were going to give up their principal strategic strong points in the Sinai. There were lots of gaps between the two sides, and this idea gradually faded.

Also we were approaching an election year in the United States in '72. Then the word went out pretty much from Nixon through Kissinger that they didn't want any rocking of the Middle East boat during this election. It was quite obvious that any active diplomacy, any active peacemaking efforts, would involve some strain, as they always do, in our relations with Israel and probably with Egypt, too. That wasn't so much of a concern, but there was concern that the president not get into the election year 1972 having a fight with the Israelis. So the word was out to cool it this year, and we would get back to the Middle East after the election.

The other factor that figured in the equation at this time was the continuing effort to find some basis for detente in the U.S.-Soviet relationship.

Sadat clearly was casting around for other ways. If he couldn't get an agreement with American brokerage, then to try to get the superpowers, to get the Soviet Union and the United States, jointly, to take on the Middle East issue and try to get things moving. Sadat clearly had made the decision, right at the beginning, after he had consolidated his power, that he had to get Egypt out of the dead end situation that it was in as a result of the '67 War. He had to find a way to recover the Sinai and recover Egyptian territory, give up the idea of winning it back militarily, and turn Egyptian resources from getting ready for the next war to trying to do something about the woefully rundown Egyptian economy.

And Sadat had a plan. It wasn't always articulated as a full blown plan, but at least it became apparent, in retrospect. He was indefatigable in suggesting various proposals, various ways of trying to get at the problem of getting Israel out of Egyptian territory, as part of the process of resolving the conflict. So that was his priority.

He declared at one point that 1972 was going to be the year of decision, when these problems would have to be resolved. He called upon the world community, and the U.S. and the Soviet Union in particular, publicly to engage themselves. He apparently put great stock in this being a major item on the agenda of the U.S.-Soviet, Nixon-Brezhnev summit conference in 1972. The results of the conference, in the communique, made it clear that, in effect, there had been an agreement between the two superpowers to put the Middle East problem on the back burner, not to try to resolve it. We were as far apart as the parties themselves were, in our ideas for a solution. And therefore in order not to let U.S.-Soviet differences over the Middle East get in the way of larger issues of disarmament, detente generally, it was resolved by very general communique language, which really didn't deal with the fundamental issues.

Sadat was very unhappy about this result, and even more unhappy when, after the election, with Nixon beginning his second term, we didn't really come to grips with the Middle East in a way that Sadat had hoped.

Well, we began to get intelligence reports from various sources that Egypt was drawing up war plans, and even some reports of collusion, of cooperation between Egypt and Syria, since the efforts to resolve the issue through superpower and major power diplomacy, to try to activate the major powers, had not produced any results.

The general mindset in Washington, and I think clearly also in Israel at the time, was that there was no way that Egypt could launch a successful military attack against the Israelis dug in as they were in Sinai, and that this was probably either bluff, or misinformation of some kind, or an attempt to scare the world into doing something about the stalemate on the peace front. In any case, nothing happened. There were no serious efforts, there was no major American initiative. Everybody was looking basically to the United States.

Even as 1973 wore on, we began to get rather ominous warnings from some of the other Arab countries, and in particular from Saudi Arabia, that the situation with continued Israeli occupation, a humiliation of the Arabs, could not go on indefinitely, that this was intolerable from an Arab point of view.

And that was when we first began to get hints out of the Arab world that they might be compelled to put a squeeze on the oil supplies to the West. This was a time when we were not as dependent, as we later became, on Arab oil, but our allies were. A squeeze on them would indirectly be a squeeze on us as well. So there was some foreshadowing of what became, within the year, the Arab oil embargo. But again, there was a tendency in Washington to discount both the possibility that the Egyptians would start a war that threatened Israel's control and that the oil-producing countries would really seriously go through with this. The reasoning was that they would hurt themselves as much as anybody else by cutting off income from the sale of oil to the West, to anyone that was seen as supporting Israel in any way, which meant first of all the United States, but to some extent the western European countries as well.

Now in the early fall of 1973, there was a change of leadership at the State Department, when Secretary Rogers resigned and Nixon appointed Kissinger as Secretary of State. There were lots of reasons for it. It wasn't the Middle East issue, so far as I know. I wasn't privy to them, and I wouldn't want to speculate about all of them, but the fact of the matter was that there had been increasing strains between Kissinger and Rogers over many, many foreign policy issues. Rogers, in the end, felt that he was being shut out of too much of the action, and he, for reasons that have been amply discussed in various public records since then, handed in his resignation. Henry Kissinger was named as our new Secretary of State and still remained, for the time being at least, as not only Secretary but also kept his position as National Security Advisor. So he was wearing both the White House and the State Department hats for that period.

His first foray as Secretary of State into the Middle East issue, that I'm aware of, came right after the opening of the General Assembly, in the fall of 1973, when the Secretary of State traditionally goes to New York and meets with the foreign ministers of all the countries, and has a kind of tour d'horizon of the main foreign policy issues, makes a speech, listens to speeches.

I think it was a recommendation from those of us in the Department, working on Middle East affairs, that he ought to try to get to know the principal players in the Middle East conflict. And one way to do this would be to have a gathering to which he would invite all of the Arab ambassadors to the U.N., or the Arab foreign ministers who were in town and, in their absence, their representatives. And he did this.

It raised a bit of a question about whether or not the Palestinian Liberation Organization ought to be invited, because they by then (I'm pretty sure I'm correct) had an observer mission in the U.N. But in any case, that was resolved by the decision that we wouldn't. They didn't have any standing, they were not a state, they were not a government. And so it did not become a major issue.

There was a luncheon for all of the Arab foreign ministers or representatives, and also the representative of the Arab League, who was then Mahmoud Riad, who had been the Egyptian foreign minister and was now Secretary-General of the Arab League. Kissinger hosted the lunch in the U.S. mission, and in his remarks to the guests, he made his first official pronouncement, that I'm aware of, on the Middle East, in a talk which, again, many of us had worked on, drafting talking points for him. It came out, as it always did, in his words, but the basic message that he

was conveying was that he understood the Arab frustration about the stalemate in the Middle East -- after all, this was six years after the Six-Day War, their territories were occupied, no progress had been made, the Suez Canal was still closed -- and that he intended to devote his attention to the Middle East situation and to see if he couldn't help move it towards some kind of a resolution. It was a talk that was basically meant to reassure the Arabs that he, now being the Secretary of State, was going to give this higher priority on his agenda. It was a talk designed to win the sympathy, or at least to get the attention and hopefully some understanding and some forbearance on the part of the Arabs. After all, we had been hearing reports of possible military action. We had been hearing reports of using the oil weapon against the U.S. and the West in general. His attempt was really designed to try to defuse this.

Well, it was too late. In retrospect, it was quite obvious that Sadat had already, in collusion with President Assad in Syria, made the decision that they were going to have to take military action in order to unfreeze the situation on the ground and also diplomatically. And it wasn't very many weeks after that, within a month, to my recollection, that the crisis suddenly erupted into full scale hostilities. It was a master bit of deception on the part of the Egyptians and the Syrians. They obviously had to make preparations. They had to do certain things that could not be hidden from photographic and electronic surveillance.

But what they did could be interpreted in different ways. It was interpreted by Israeli intelligence, and by most of ours, as Sadat wanted it interpreted, namely that it was simply preparations for military maneuvers in the eastern part of the country. Since the Israelis and we both had started from the premise that Egypt didn't have the military capability to launch a successful attack, we therefore interpreted the intelligence to fit that preconception.

In fact, as history tells us, the war broke out on the day of Yom Kippur, the holiest day in the Hebrew religious calendar, and it also was during the Muslim fasting month of Ramadan. So the Israelis have ever since then called this the Yom Kippur War and the Egyptians have called it the Ramadan War. Those of us who tried to be neutral about it would call it the October 1973 War.

But it was obviously a well-planned and a major coordinated attack by Egyptian forces against the Israelis east of the canal, and by the Syrians against the Israelis in the Golan Heights. There was no action on the Jordanian front. The Jordanians had not been part of the plan, though they had picked up intelligence about it as many others had. Needless to say, there was a certain amount of scrambling in the halls of the Department of State, in the White House, and up in New York. I won't take time to go into all of the details, because this has been more than documented in Kissinger's memoirs, and other people have gone on the record by now, but I think it is important to know that Kissinger was in New York at the time, and Joe Sisco was with him, and this is an amusing story. I was in Washington, so I only heard this afterward. Because of the time difference, since the war started early in the morning in the Middle East, it was of course in the middle of the night in Washington. We were all awakened. I was awakened and brought down to the Department of State to the operations center to be on the spot. Joe got word in New York and woke Henry Kissinger up, and he got Henry to try to call the Egyptian and Syrian foreign ministers or ambassadors, whoever he could reach in New York, and say: We're sure there must be some mistake. Just give it a little time, we're sure this can be worked out. Well, we were obviously light-years behind the power curve at this point. The war had started. The war caught

everybody, except the Egyptians and the Syrians, off guard.

One of the first messages to come into the operations center was a message from Golda Meir, prime minister of Israel, to our government, before the actual fighting had started, by which time it seemed they no longer had any doubt that this was a serious attack, or that one was on the verge of being started. And the message was that Israel would not fire the first shot, would not strike if the Egyptians did not strike against them.

Of course that was quite different from 1967. The start of shooting in that war was the Israeli decision to launch a preemptive strike against the Egyptians, before the Egyptians could get the jump on them, assuming the Egyptians in fact intended to. And in 1973, they chose not to launch a preemptive strike, and the Egyptians and Syrians in fact did get the jump on them.

Well, by the time daylight broke in Washington, the fighting had started. All of the usual buttons were pushed. The Security Council was convened. Kissinger, being in New York, instructed Brent Scowcroft, as his deputy at the National Security Council in the White House, to call a meeting of the Washington Special Action Group, or whatever it was called in those days. It was basically the representatives of the National Security Council: Kissinger, had he been there, Scowcroft in his absence, and representatives from the Joint Chiefs and Defense and CIA and State, to my recollection.

And since Kissinger, the Secretary, and Joe Sisco, the senior assistant secretary dealing with this problem, were at that time in New York, I was asked, as the senior member of the Department's Near East Bureau in Washington, to go to that meeting. Obviously, the real decisions were going to be made in New York, where Kissinger was, in consultations with the President, but he wanted this meeting to take place to get the collective assessment and judgment of the senior members or their representatives on the National Security Council, the agencies and departments directly concerned.

This was very early on. The situation, as is always the case, was rather confused, and it wasn't quite clear at that point how the war had started. The assumption was made by a couple of the people at that meeting that, like '67, the Israelis had jumped the gun and had started the fighting. I recall one who put this theory forward was Jim Schlesinger, as then, I believe, Secretary of Defense. He had been CIA, but I think by then he was Secretary of Defense. This was his immediate conclusion.

Nobody at the meeting was challenging this, and so I had to speak up. Even though I was there with cabinet officers, feeling relatively junior, I said, "I think that you're wrong. This is, first of all, Yom Kippur, the least likely day in the year when the Israelis would start a war. Secondly, we had a message from Mrs. Meir that she was not going to start a war."

I saw no evidence to support a thesis that the Israelis, this time, had fired the first shot. I thought that they had been caught as much by surprise as everybody else. And so, in retrospect, it turns out that I was right, this was the right analysis, but it was not the initial reaction.

Well, very quickly the task became first to try to stop the fighting, to try to position ourselves, in

the United States, so that we could influence not only the end of the fighting, but the post-hostilities situation as well.

And again, a task force was formed in the State Department. I was not asked to be the head of the task force, because I was then deputy assistant secretary, and this was normally a job for a country director, but I was obviously to oversee the general mobilization of the Department's and other agencies' resources for dealing with the crisis. Actually, this was a crisis that Kissinger very much ran himself. He was, in effect, the desk officer for the crisis. All of the major meetings, major messages, major discussions were handled by him, with backup support obviously from intelligence analyses, situation reports, which was the job, as always, of the operations center to keep the best and most current information available to the principals. But it was not a committee operation. It was basically Henry Kissinger working pretty much with a very small handful of people, Joe Sisco, Scowcroft in the White House, trying to do basically two things.

First of all, Kissinger, as always, was preoccupied with the fact that behind the Egyptians and the Syrians were the Soviets; behind the Israelis stood the United States. And you could not, as he liked to say, let Soviet arms defeat American arms. Therefore we had to be certain that the Israelis would not be defeated. There were of course other reasons as well for not wanting to see the Israelis defeated, having to do with our long term commitment to Israeli security.

But at the same time, Kissinger had another goal, which I think all of us who had a voice in trying to make recommendations were urging, which was the opportunity to see whether the war could not be turned into the basis for getting the peace process going. We knew that Sadat wanted to try to move towards a peace settlement. And so Kissinger's goals were really twofold. One, not to let the Israelis be overrun militarily, but at the same time, not to let the Egyptians be defeated and humiliated in a way that would make it impossible for them to talk about peace.

So this was a most remarkable situation, where Kissinger was having frequent exchanges with the Israelis, mostly through Dinitz, the Israeli ambassador in Washington and very close to Kissinger, and at the same time exchanging communications with Cairo, through the Egyptian national security advisor, Hafiz Ismail, a senior Egyptian retired general and diplomat. Sadat had named him national security advisor to have a kind of counterpart to Kissinger. And so messages were going back and forth all of the time between Kissinger and the Egyptian government.

My recollection is that the initiative for this exchange really began with the Egyptians. At about the time the war started, a message came through saying that Sadat wanted the American government to understand that this was not a war to defeat Israel, it was not a war to destroy Israel, this was simply an attempt to reassert Egypt's right to recover its occupied territories. Sadat had no intention of trying to invade Israel proper.

Incidentally, the exchanges were between Cairo and Washington. I don't recall any exchanges with the Syrians at all during this period, though they had certainly launched a simultaneous attack. And in fact, at one point, the bigger threat to Israel came from the Syrian front. The Syrians did have a breakthrough and were very close to overrunning Israeli positions on the Golan Heights and threatening the coastal plains of Israel. The Egyptians had succeeded in the

very early hours in getting a large number of forces across the canal and pushing the Israelis back. So you had, in the first part of the war, the Israelis militarily on the defensive, having to give some ground to the Egyptians in the first instance and to the Syrians.

But all of this time the messages coming through from Cairo were: "We have nothing against the United States. We hope the United States will understand that Egypt is only asserting our own right to our territory. And there is nothing for Americans in Egypt to fear. There is no need to evacuate the Americans, they will be protected." Very different from the atmosphere in 1967.

I have to take a little diversion here to go back over some of the groundwork that took place in that period of '72-'73 that helped us understand a little better what Sadat's objectives were, and perhaps interpret a little better his professions of wanting a peaceful solution, because there had been some rather high-level channels of communication between Sadat and Washington after Sadat took over.

Sadat gave up on the State Department as a channel for trying to reach the President of the United States, and tried to open up a direct channel between himself and the White House. And that was when he appointed his national security advisor to be a kind of counterpart to Kissinger. I'm backing up to the point where Kissinger had not yet become Secretary of State, into '72.

There was in fact an initial meeting between Kissinger and Hafiz Ismail, who was a very senior retired Egyptian general and had been also an Egyptian diplomat, a very fine public servant, a good choice. He came to Washington, and the visit to Washington was a public visit, as President Sadat's representative, and had a formal meeting with Secretary of State Rogers at the Department.

But the important meeting was an off-the-record and at that time still-kept- secret meeting between Hafiz Ismail and Kissinger at the White House. And that was where Kissinger first really began to engage himself directly in discussions with representatives of the Arabs in this conflict. This was in 1972, I can't remember quite the month.

But it did open up a channel and led to the scheduling of a second and still at that time secret meeting between Kissinger and Hafiz Ismail during one of Kissinger's visits to Paris. He was then conducting the Vietnam talks with the North Vietnamese in Paris. And under cover of those meetings, which were obviously publicly known, arranged a secret meeting with Hafiz Ismail in Paris, in May, I think it was, of 1973.

The original plan was that he would be accompanied to the meeting only by Harold Saunders, who was his Near East person on the National Security Council staff. This was to be kept secret from all of the normal people who ought to know about it in Washington, except the President, who had to know, and the CIA people who had to arrange, through their channels, the meetings. They had to find a safe house, and then a way of getting Kissinger there and Hafiz Ismail there, without the French government knowing about it, without the U.S. Embassy in Paris knowing about it, and certainly without the media and the press knowing about it. It was to be a typical Kissinger operation, a very secret meeting that was in fact kept secret.

He did inform the Secretary of State (it was still Bill Rogers at that time), and Rogers said that if this is what the President wanted, of course he would defer to the President's wishes. He had just one request, that there be a representative from the State Department added to the party that was going to meet with Hafiz Ismail. Kissinger accepted the Secretary's desire, provided this person would be discreet and it would be clear that he was there as part of Kissinger's team. I was named to be that person.

So the next thing I knew I was being contacted by representatives of the CIA who said that they had airplane tickets and I was to get onto such and such a flight at Dulles Airport, and I would go to such and such a hotel and wait there for further instructions. And this is what I did.

There was a bit of a problem, because when I got to Dulles Airport, there was someone I knew very well from the Department going on the same flight to Paris on totally other business. The question was: What was I going to Paris about? Well, I sort of fudged it up and said "Well, it's Department business I was going over to do," and that was that.

But I did get to the hotel, the name I've forgotten. It was a hotel I'd never heard of before, an ancient hotel, not one of the main tourist hotels. And lo and behold, I found myself sharing a room with Hal Saunders, who had been brought to Paris by the same people, but separately. And we were told that we would be contacted when the time came. So we waited at the hotel, and eventually a messenger came saying that the car was downstairs and would take us to Henry Kissinger. And we were whisked out of the hotel and to a side entrance of the American ambassador's residence, and taken in and shown into a sitting room and told we were to wait there until Kissinger was ready to see us.

Nobody had seen us come in. But who should wander into the room at that point while we were sitting there but Jack Irwin, who was ambassador in Paris. And he looked rather surprised; he knew us both from Washington days. He said, "What are you doing here?"

Q: That sounds like a cheap thriller.

ATHERTON: He was looking over the art work at the embassy. He had a lot of his own personal collection there, I think, and he was coming around and checking up where the picture were and where they were to be hung. So Hal Saunders, who had been through this with Kissinger before, said "Well, you ought to know, Mr. Ambassador, but it's got to be kept very quiet, because we are here with Henry Kissinger for meetings with Egyptian representatives under cover of the Vietnamese talks." So Hal told him the essentials; he couldn't tell the ambassador less.

And Irwin's only question was: "Does the Secretary know about this?"

I assured him the Secretary knew, and I was there at the Secretary's request. And he said, "Fine, I don't want to hear any more." And he walked out.

Soon we were summoned to see Kissinger, who it seemed had taken over most of the second floor at the ambassador's residence for his offices, his living quarters, his staff, his security. And we had a briefing session with Kissinger, getting ready for a meeting the next day with Hafiz

Ismail and the Egyptian team.

A very interesting session. Kissinger had a briefing book, which Saunders had prepared for him and I had never seen, suggesting points that were going to be made in this meeting with the Egyptians and what to expect from them. It was to be a feeling out in the meeting to try to convey to the Egyptians our concern, our interests, but the limits within which we were working. It was not a time when President Nixon was prepared to take on in a major way the problems of the Middle East. He wanted Kissinger to help keep the lid on basically and keep the Egyptians engaged, but not make any far-reaching proposals.

Q: Could you give us the time frame of this? Was this before the war?

ATHERTON: Yes, I'm sorry. I had to back up, because I suddenly realized that I had forgotten a very important part of the groundwork for what became a very close relationship between Kissinger and the Egyptians.

Q: It is '73, though?

ATHERTON: This is May, I think, of '73.

Q: Fine, thank you.

ATHERTON: So we're five or six months before the war. This is turning back the clock past some of the earlier discussion.

It was quite an exciting experience, I must say. First of all, going through this briefing with Kissinger. I had never encountered Kissinger close up, except sitting in the back row of some of the meetings in the White House Situation Room, which he had chaired, and I was there to back up the Secretary or whoever was representing the Secretary. But I had never sat in as part of an intimate group where he was being briefed. And I have to say I was very impressed with how quickly Kissinger would grasp the essentials of the situation and his approach to the meeting. He seemed clearly on top of it given what was obviously a very limited brief for what he was doing.

But what I remember most from that meeting was Kissinger's concern with me and being told, "Now, Atherton, I don't want you sending any separate reports back about these meetings. The reporting will all go from me."

I guess I must have hesitated for a minute, because he looked at me and said, "Is that understood?"

And I said, "Well, I understand what you're saying, but I'm here representing the Secretary. I certainly have no intentions of sending separate messages or telegrams or anything, but I have to report to the Secretary of State and to Joe Sisco when I get back because they're the ones I am here representing."

And there was a long pause, and I was expecting to be thrown off the delegation and sent back to

Washington.

And he suddenly said, "All right." And that was the end of that. He accepted what I had said.

Hal Saunders told me later in private, that I did just the right thing, that if I had caved in, he wouldn't have had any respect at all. Hal said I did absolutely the right thing in terms of winning his confidence. Now I would be part of the team. And it turned out to be quite that way. I was consulted. My advice was listened to in some of these meetings.

The meeting with Hafiz Ismail was really almost a James Bond kind of experience. We went out in a totally unmarked car, no police escort, with a general who was seconded for this purpose, for the operation in Paris, to be the arranger of secret meetings and safe houses, working through CIA channels although he was a military officer.

Kissinger relied heavily in those days on CIA communications. He felt that the State Department communications were not secure and too many copies went to too many people. And when he wanted to communicate with Scowcroft and with the White House, he did it always through CIA channels. And they organized the meeting. Which was fine, because the CIA also had its own liaison with the Egyptian intelligence services. They had a professional relationship, and for a meeting with the Egyptians it worked well.

The meeting took place out in the country, outside of Paris, near a very picturesque little village. It was an old, old French farm house which had been restored by and belonged to a wealthy American, with a water wheel some lovely gardens.

We had an all-day meeting with Hafiz Ismail and his team. I was delighted to see that one of the senior Egyptians with Hafiz Ismail was Gamal Barakat, who had been the Egyptian consul general in Aleppo when I was the American consul in Aleppo. So we had a reunion; hadn't seen each other for years. There were other Egyptians, some of whom I knew and some of whom I didn't. On our side were Kissinger, Saunders, and myself.

The talk went on at great length. Hafiz Ismail presented his brief, listing the things that Egypt felt were essential to get what Sadat needed in order to be able to satisfy his domestic constituency, and to say that he was working on recovering Egyptian territory and ending the conflict in an honorable way. But he wanted the moon, and Kissinger was saying there was no way that Israel is going to give you these things, when you are clearly militarily the defeated party in this conflict, there is no way that Israel is going to do it. And the United States is in no position, of course, to make these concessions for Israel. Sadat wanted Israel to commit itself to give back all of Sinai, far-reaching proposals which were not very realistic under the circumstances. We and the Israelis discounted the possibility that Sadat had a viable military option.

It was a very amiable talk, and I think probably the big advantage was that it gave Kissinger the chance to convey to the Egyptians for their record some very detailed analyses of and insights into the dynamics of the Israeli political scene and also of the Israeli-American relationship. So it was the beginning of the process that Kissinger carried on for most of the time after that, in his meetings with the Egyptians and the other Arabs, of really educating them about the limits on

what the United States could do in terms of trying to put pressure on or use leverage with the Israelis. The Arab attitude basically was that we provide Israel with all its needs and all we have to do is threaten to cut it off and Israel will do whatever we want. So Kissinger began these long explanations of the special relationship between Israel and the United States, the support for Israel in the U.S. Congress and U.S. public opinion that a President has to take into account.

So it was, I think, useful in giving the Egyptians a more sophisticated understanding of the dynamics and also the limits and limitations and constraints of this situation as far as U.S. policy was concerned.

Of course, there were other constraints which Kissinger didn't talk about, as I recall, but which were there in the background: the constraints of being embroiled in trying to get out of Vietnam, the domestic criticism of the President, the build-up of the anti-Vietnam war movement in the United States. Nixon didn't want to take on an additional source of domestic political trouble, which trying to knock heads together in the Middle East would have been.

So it was quite clear that there was going to be no breakthrough from these talks. But still, it paid off later I think.

Now to go back to the story that I interrupted, the period during the early days of the October 1973 War, when these channels of communication were used. They were mostly messages between Henry Kissinger and Hafiz Ismail, the two national security advisors, that were being handled in this channel. So all during the war this channel of communication was open, to explore ways to bring the war to a stop so we could get on with the peace efforts and help Sadat achieve what he had told us he wanted to achieve.

But, of course, wars have a way of taking on a life of their own. The situation on the battle front in the early days had the Israelis with their backs to the wall. And therefore the Egyptians were demanding very stiff terms for a cease-fire. The Russians were supporting the Egyptians. We were trying to argue that the cease-fire should involve a cease-fire back at the lines where the fighting started, which would have meant, in effect, that the Egyptians would have pulled back across the canal, which they weren't about to do.

Well, of course, the tide of battle eventually changed. The Israelis began to first stabilize the front and then recover some of the territory that they had lost, which had been occupied territory anyway, on both the Syrian and the Egyptian fronts. The borders of Israel were never threatened during this period at all. There was no Arab military threat against Israel proper; the threats were against the Israeli military forces in Sinai and the Golan Heights.

The Israelis realized that they were in for a tough fight. They had lost a lot of airplanes in the early days of the war. One of the costs of not having a first strike was that they could not knock out the Egyptian Air Force on the ground as they had done in 1967. And the Egyptians had really been outstandingly effective in their anti-aircraft defenses, not only in fixed defenses but also in shoulder-held SAM 2's, I think they were called. The anti-aircraft missiles that were launched by individual soldiers were very effective, and the Israelis lost a lot of aircraft.

They began to get worried about their reserves and asked us to mount an airlift of equipment to replenish their losses. The Egyptians had also sent a request to the Russians. And pretty soon you had a situation in which the Russians were resupplying the Egyptians and we were resupplying the Israelis, and each of us accusing the other of keeping the war going. Henry Kissinger was saying, "Well, we must assure the Israelis enough to continue militarily, and at the same time we must try to stabilize the situation so that Sadat isn't defeated totally.

First of all, the Israelis recovered from the Syrians the territory they had lost in the Golan Heights, and had driven the Syrians even further back beyond where the cease-fire line had been, to the point where the Israeli forces were threatening the main approaches to Damascus. And they did a very daring thing on the Egyptian front, a military maneuver masterminded by General Sharon, which succeeded in putting some Israeli units back across the Suez Canal onto the Egyptian side. So the war had reached a point where in a way both sides were hurting. The Israelis had very heavy losses, and to get all of the Egyptian forces out of the Sinai would have probably incurred enormous additional losses. At the same time, the Egyptians had lost the initiative, and in fact had the Israelis across the canal behind their own lines. The Syrians were virtually out of the war, and the Israelis were in a position where if they wanted, they probably could have gone on to Damascus. So there was a kind of stalemate on the military front, or at least the signals coming from both the Israelis and the Egyptians were: Let's get serious about the cease-fire. And that was when a message came from Brezhnev to President Nixon saying in effect: We would like to negotiate a cease-fire with the United States and the two of us impose it; this fighting must stop. Obviously the Russians were getting worried that the Egyptians were going to be defeated again as they were in 1967. So Brezhnev asked Nixon to send Kissinger to Moscow.

Kissinger started to put the team together and the same day organized the flight to Moscow. I was again asked to go along as a member of the team, along with Joe Sisco, plus Kissinger's new appointees including the new head of policy planning, Winston Lord; Bill Hyland, who was the Intelligence and Research chief and Kissinger's particular advisor on Soviet affairs.

We left Andrews Air Force Base sometime in the early morning hours, because Kissinger had a dinner the night before with the Chinese and he didn't want to break off the dinner. So we all got on the plane and waited several hours for him to finish his dinner with the Chinese in Washington. He came out to the airport, and then we took off for Moscow. We had to stop in Copenhagen on the way to pick up Hal Sonnefeldt, who was there on another mission. Kissinger wanted him along as part of the team. It was a very exhausting flight.

We got to Moscow in the late afternoon and went to the Soviet guest houses and thought we would have a night's sleep and probably start talking to the Soviets the next day, when the word came that Brezhnev would see us that evening before a late dinner and negotiations in the Kremlin. So all of us, numbed with jet lag, went off to the Kremlin to a meal we didn't need and negotiations that Kissinger determined would not take place. He said, "I can't refuse an invitation from the general secretary to meet but I can refuse to negotiate with him. Also, what's happening at the military front will exert more pressure."

So we did go and have the meeting, and Kissinger strung it out, parried all of the attempts to get

on with declaring the cease fire. The serious negotiations took place the next day, and they were completed in a day. Once we got started, we worked out the text of the cease-fire and conveyed it to the parties, conveyed it back to the delegations in New York and it was introduced jointly by the Soviet and American ambassadors in New York as a joint U.S.-Soviet-sponsored resolution to bring about a cease-fire in the conflict. Security Council Resolution 338, in addition to calling for a cease-fire, called for negotiations "between the parties under appropriate auspices" based on Resolution 242 of 1967. A side agreement stated that "appropriate auspices" meant U.S.-Soviet auspices.

There were some problems. The Israelis did not immediately stop their military movements when the hour came when they were supposed to. There are lots of details which I won't go into. They're all in Kissinger's book. It was a fast-moving situation. The net result was that the Israelis continued their advance west of the Canal even after the cease-fire went into effect on October 22. The initial impression given purposefully by the Israelis was that they were going to march on Cairo, when in fact they turned around and went down south towards the city of Suez and totally encircled and cut off the Egyptian Third Army, which was thereby, in effect, their hostage, without supplies, without not only military supplies but without food and medical supplies being able to get through to them. This left a somewhat unstable situation, after the fighting finally stopped. The recriminations went on and on about how the Israelis had taken advantage of the cease-fire to continue their advance.

This was when the Russians responded. Sadat was desperate enough so he called on the U.S. and Soviets to send in troops together to stop the Israelis, to rescue the Third Army. The Soviets announced that they would respond. And Kissinger said, "This is intolerable. We can't have Soviet troops introduced into this situation." And that was when Kissinger ordered putting the U.S. forces on the alert, basically saying to the Soviets: You make a move to put troops in Egypt, we are prepared to countermove. And so we had a temporary crisis on the U.S.-Soviet side, although really there was probably not as much of a crisis as some people thought it was at the time.

It was over very quickly. Sadat withdrew his request for the introduction of Soviet and U.S. forces, and we and the Soviets together got a resolution passed that U.N. forces should be introduced. The nearest U.N. forces were in Cyprus, so the plan was to have some of the U.N. peacekeeping forces in Cyprus come in and begin to insert a United Nations presence along the cease-fire lines, to try to stabilize them.

Q: Which at that point were where?

ATHERTON: Well, that was what the argument was all about. The Egyptians and the Soviets were saying that the Israelis had to pull back to the lines of the hour on October 22, when the cease-fire was passed. The Egyptians and the Soviets were pressing us to press the Israelis to withdraw to the lines where they had been when the cease-fire was supposed to be in effect. That was the only point where there was an argument. The forces east of the canal had stopped shooting at each other, and they were drawn up where they had stopped fighting. There were still Egyptians east of the canal. They had crossed the canal and were on what had been the Israeli side of the canal, the Israeli-occupied side. But the Israelis, who had crossed the canal in the

other direction, were on the Egyptian side. Nothing was happening on the Syrian side. The Syrians were totally stalemated by the Israeli presence within artillery range of Damascus.

And this is where I think one of Kissinger's brilliant initiatives took place, because he began to develop the concept of not wasting a lot of energy to try to force the Israelis a few miles or a few kilometers back, but of using this as a basis for beginning to negotiate a much broader and more stable resolution of that particular military confrontation.

But there was the problem of what to do about the Egyptian Third Army, which was still without a means of resupply. There were some preliminary discussions about this in Washington with the Egyptian foreign minister, Ismail Fahmy, and with the Israelis. And then it was decided that Kissinger should make a trip to the Middle East, that he should go to Cairo and meet Sadat, deal directly face to face with Sadat. And that became really, in retrospect, a very historic, momentous moment and in some ways a turning point.

Kissinger had never been in an Arab country, he had never dealt with an Arab chief of state. He had been to Israel earlier in his life. He really didn't have much Middle East experience, but he was a fast learner. We all pumped him full of all the information we could about the people he was going to meet, their points of view, their perspectives, their hangups, their concerns. And he took off. We all took off. Again I was part of the team. We made quick stops in Morocco and Tunisia, to talk to our friends the King of Morocco and with President Bourguiba in Tunisia, to ask them to use their good offices with the Egyptians to be receptive to Kissinger and basically tell Sadat this is a man to deal with, because obviously there was a need for a certain amount of getting to know you.

We arrived in Cairo; I remember it was the 6th of November 1973. And Sadat, always a master of the dramatic, staged a meeting at the palace where he had set up his war headquarters. He was still in uniform because during the cease-fire it was still a wartime situation. We were all invited, the delegations, the Egyptian, the American, to sit out on the lawn while Kissinger and Sadat withdrew and had a totally private tete-a-tete. No note takers, nobody present.

It went on and on and on. The rest of us ran out of small talk. We had friends, some Egyptians friends with whom we could talk and get reacquainted with each other. One of the Egyptians was Ashraf Ghorbal, who had been head of the Egyptian Interests Section in Washington and was brought back to join the National Security Council by Sadat. But we all sat and cooled our heels while Kissinger and Sadat had this long getting acquainted meeting, at the end of which they announced that they had basically reached agreement on the principles for relieving the Third Army and starting a larger process of negotiation, which would look towards the disengagement of forces, not just a return to cease-fire lines. And it was left to Kissinger and Ismail Fahmy to work out the details.

And they did. They negotiated an agreement of a certain number of points to convey to the Israelis, the main elements of which were to open up the lines for medical supplies, food, and water, but no military, no arms, to go through the Israeli lines to the Egyptian Third Army, with U.N. troops brought from Cyprus to man the checkpoints through which the Egyptian supplies would go. It was a rather complex setup, but the arrangement was worked out fairly quickly,

though with the usual hitches and distrust by each side or the other. Finally it became necessary to send Hal Saunders and Joe Sisco on to Israel to explain and to get the Israeli government's agreement with these points which had been negotiated with the Egyptians. The rest of us went on to Jordan and eventually on to Saudi Arabia.

ATHERTON: The one thing that happened, in addition to changing teams in Islamabad, was that Kissinger had promised Sadat that he would send a representative of ambassadorial rank to Cairo. Even though we had not yet formally restored diplomatic relations, he would send someone with the personal rank of ambassador, upgrade our Interests Section in Cairo, and Sadat would do the same in Washington.

The decision was made that the best person for this assignment would be Ambassador Hermann Eilts, who at that time was on the faculty at the Army War College, in Carlisle, Pennsylvania. So a message had gone out to Hermann to pack a bag and meet Kissinger in Islamabad. Kissinger had never met Ambassador Eilts, he had heard about him from several others who unanimously recommended that Hermann obviously would be the person to do this, in terms of seniority, in terms of his knowledge of the area and his reputation.

So Hermann showed up, and he and Kissinger got acquainted. Kissinger decided that he agreed Hermann would be a good choice; he had liked him right away. He gave Hermann his marching orders and said, "Go to Cairo."

Hermann said, "You mean I can't go back home first? All I've got is this suitcase."

And Kissinger said, "No, I want you to go right to Cairo, get settled, get to know Sadat, and then you can get home at some point to pack up and bring your family out to Cairo."

Parenthetically, as it turned out, this was early November, and Hermann did not get back home until Christmastime. He lived out of his one suitcase, I guess, in a hotel, as far as I know. I'm not even sure. Maybe he stayed with somebody. But he was there for quite an extended period, because there was just too much going on. There was all the follow-up to Kissinger's attempt to stabilize the cease-fire, to lay the groundwork for further negotiations, dealing with a very nervous Egyptian government, and particularly a nervous foreign minister, Ismail Fahmy, who was sure that the Israelis were going to pull a fast one, and he was always trying to keep one step ahead. So Hermann had his hands full.

He also had to cultivate relations with the Soviet ambassador, because Kissinger was talking about a joint U.S.-Soviet effort to convene an international peace conference at some point. Remember that we and the Soviets had jointly sponsored the cease-fire which ended the 1973 October War. Kissinger had developed a dialogue with Gromyko and with the Soviets on the Middle East, and we wanted to keep them engaged, at least give the appearance of keeping them engaged. Hermann's job, really, was to work in tandem with Polyakov, the Soviet ambassador to Cairo. All of this was a pretty full platter.

You know, looking back at this particular moment, I don't think many of us realized it at the time, or maybe we only perceived it rather dimly, but we were really, as it turned out, at this point, November '73, after the October War and the first meeting between Kissinger and Sadat, at the beginning of what turned out to be one of the most creative and productive periods of Middle East diplomacy in the whole history of the Arab-Israeli conflict. It really began when Kissinger and Sadat met each other and decided that they had a common strategic vision and that they would work together. Sadat invited Kissinger, in effect, to be the peacemaker, and Kissinger agreed. This was a period that was to continue, with certain periods of hiatus but without any major breaks, right down into 1979, with the peace treaty between Egypt and Israel.

It might be good to take a minute to stand back and try to summarize, to see what concept Kissinger had in mind, the strategy that had clearly evolved out of the experience of the war and the immediate post-war period, and particularly his meeting with Sadat, because it did really guide the policy of the administration, for the rest of the administration, towards the Middle East.

First of all, there were certain things that were driving the U.S. here. It's important to remember that the U.S. resupply of Israel during the '73 War had triggered something that had been threatened for a long time -- an Arab oil boycott against the United States and in this case against its friends as well, but particularly against the United States -- and that was still in effect.

So there was a certain amount of domestic pressure to get the boycott lifted. It was beginning to pinch. We were having long lines at the gas stations; there was a question whether there were adequate reserves for our military forces and our allies. It had lots of implications. It could lead possibly even to rationing. So there was pressure to try to get the boycott lifted.

And clearly that was going to require demonstrating to the Arab world generally, but particularly to the oil-producers (and the key country there was Saudi Arabia, obviously), that the United States really was going to work for what the Arabs would see as a just peace.

And by "just peace" they obviously meant a peace which would result in Israel's returning territory occupied in the 1967 War and in some way, undefined, recognizing what the Arabs called the legitimate rights of the Palestinians.

So there was a certain incentive, in terms of U.S. interests and also U.S. domestic pressures, to try to relieve the pressures and to get the U.S. back into a posture where it would be seen as not allied with Israel against the Arabs. It was the perception that many Arabs had -- rightly or wrongly.

There were also, of course, internal and built-in pressures on the Egyptians and the Israelis. The Egyptians still had their Third Army cut off by the Israelis at Suez. Kissinger had arranged for resupply, but the situation on the ground was still potentially unstable, which meant that the cease-fire could break down, you could have a renewal of hostilities. And neither Egypt nor Israel was ready for that. They both wanted to stabilize the situation. They'd had a very bloody war, and it was a very costly war for both of them. It was a particularly costly war psychologically for the Israelis. They had started off being on the defensive in this war and had suffered quite large losses of equipment and also of lives. So there was factors pressing all sides

to try to work towards a solution.

The strategy that Kissinger succeeded in persuading Sadat to agree to and to follow was not to try to go for too much too fast. Don't go for a total settlement, all the territory at one time. Take it step by step, in order not to demand more of Israel, which was going to have to give up territory, than its own domestic political situation could handle. Start with limited steps, but limited steps that were seen as steps towards a larger goal.

And that led to the idea of working first for what Kissinger called the disengagement of forces -- get the armies separated from each other. Which meant, in practice, the Israelis would have to pull back somewhat in Sinai, and therefore there would be some symbolic Israeli withdrawal from Egyptian territory along the Suez Canal. And presumably at some point the same formula would be applied on the other front of that war, which was the front in Syria.

So as this idea evolved, there were a number of elements to it. I think it might be useful to look at these because they tended to run through all of the diplomacy, not just at this stage, but through subsequent years.

First of all, establish the principle that Israel would withdraw from occupied territories, that these territories occupied in 1967 were not to remain permanently under Israeli control, that it had to find ways to return territories, with whatever security arrangements, and in some cases possibly adjustments in the frontiers, in the old armistice lines, could be negotiated. But the principle of returning occupied territories to the Arabs was part of the strategy from the beginning, with the goal of genuine peace between Israel and the Arabs, and not simply a reversion to the armistice agreement regime that had existed before.

Another element that was important, at this stage at least, from the American point of view, was to defer coming to grips with the Palestinian aspect of the problem. The Palestinian cause was very much a part of the Arab position. The Arab world, the Arab governments, including Egypt, said that any settlement had to meet the legitimate national rights, as they put it, of the Palestinian people, without being very precise about what that meant.

To the Palestinians, it meant getting their own state. It meant that the part of Palestine that had been under Jordanian administration, plus a small part in Gaza under Egyptian administration, which was occupied by the Israelis in '67, should from the Palestinian point of view, not simply go back to Egypt and Jordan, but should become the nucleus of a proper Palestinian state.

But the whole idea of even dealing with the Palestine Liberation Organization, the PLO, which asserted that it represented the Palestinians, and of their claiming the right to have a sovereign state alongside Israel, was so beyond the ability of almost everyone in Israel to comprehend or to talk about even, that had this become the first item on the agenda, it was almost certain any attempt at negotiations would have been stalled.

So Kissinger's strategy was: Let's deal first with the problems of the armies that were fighting each other and get them disengaged. That means Egypt and Israel in Sinai, it means at some point Syria and Israel in the Golan Heights, and at some point perhaps Jordan and Israel in some

part of the West Bank, to establish that the principle of withdrawal applies on all these fronts. But defer the question of how you work the Palestinians as a separate political factor into this process. Deal with the Arab governments and defer coming to grips with the Palestinian issue.

Another element was to keep talking to the Soviets. This was important in not just the Middle East context, but in terms of the policy of the Nixon administration towards detente with the Soviets. Try to deal with the Soviets on regional conflicts as well as in bilateral relations. So try to keep the Soviets engaged in a discussion. Hold out to them the prospect that there was a role for them to play in the peace negotiating process, but at the same time keep them at arm's length. You exclude them from an actual participation in the process, at least in the initial stages. Kissinger felt that the Soviets would be the advocate of the Arab side, and the U.S. would end up being the advocate of the Israeli side, and the Soviets would complicate and would try to take advantage of the situation to strengthen their own position, or reestablish some of the positions they had lost in the area, particularly in Egypt. So his view was: You've got to deal with the Soviets, you've got to give them a sense that they're being consulted, but, in effect, neutralize them.

I don't want to say that this strategy was all written out on a piece of paper. It was more or less in Kissinger's mind. Those of us who were working very closely with him understood the elements of this, and I think in some cases we were his sounding boards, to see that he got all the facts. We were consulted (we being a very small inner circle; it was not a big operation). Kissinger, at least on the Middle East, was very much his own desk officer, as I think I said once before. But there were a few of us who were involved in the discussions of strategy, in helping develop the tactics to implement it, in drawing up papers, talking points, writing up the memoranda of conversations, doing all the things that had to be done, getting ready for encounters with the press at various places, and so forth.

That group basically consisted of Joe Sisco, who at that point was the Assistant Secretary for the Near East and South Asia. He only became Under Secretary later on. In the early stages of this period, 1973-early '74, Joe was still the Assistant Secretary, and I was his deputy. We also had Harold Saunders, who had been on Kissinger's staff at the NSC and had moved over to the State Department. Also, whoever the ambassador was, in the country where we were, would be involved in the talks in that country.

We began to become a team which understood and agreed to this general approach. None of us were saying this is a mistake, we ought to be going all the way for the brass ring, for a final settlement right now. We all agreed that the disengagement concept seemed to be the only practical way to make any progress at all, the step by step approach.

So the next step was: How do you get it started? Well, the idea had evolved, in talking with the Soviets in particular, but also with the Arabs and the Israelis, in Kissinger's talks with them, that probably you needed the structure or the umbrella of an international conference.

The next round on the Middle East at that point was to try to lay the groundwork for a possible international conference. This involved also enlisting the support of the Secretary General of the United Nations, who at that point was Kurt Waldheim, and keeping our European allies informed

so they wouldn't feel they were being left out, talking to the Soviets. It was really keeping a lot of balls in the air at the same time.

It involved setting out on a trip to the Middle East, I guess sometime in the first half of December, I can't quite remember precisely, to get things in place. The goal was, if possible, on that trip, to assemble everybody in Geneva, Switzerland, for the convening of an international conference.

This involved not only talking to the parties that would be invited to the conference, who would be the immediate belligerents -- the Syrians and the Israelis and the Egyptians and the Jordanians (although they had not been in the last war, they'd had territory occupied in the previous war, in '67, so they were clearly a direct part of the conflict) -- plus the Soviets and the United States. The concept was that these would be the parties for the conference.

Initially there was some question about how to deal with the Syrians. Kissinger, all through this, was consulting, in addition to the parties directly involved, very closely with the Saudis, and particularly with the Saudi foreign minister, Omar Saqqaf, whom Kissinger felt had a lot to offer, and then, of course, with King Faisal himself. So there were lots of side trips to Saudi Arabia to consult with the Saudis and enlist their help. It was the Saudis, in particular Omar Saqqaf, who said, "You've got to develop a relationship with President Assad of Syria. The Syrians are key to this, and I (Saqqaf) will be glad to help clear the way." So the decision was finally made that we would ask if Kissinger could visit Damascus and have a meeting with President Assad, whom he had never met.

We had no relations to speak of, at all, at that point with the Syrians. As I recall, there had been no Americans in the Interests Section in Damascus, where the Italian government was representing our interests. Unlike Egypt, where we had a small number of Americans in the Interests Section under the Spanish flag, I don't believe at that stage we had any Americans under the Italian flag. It was just Italian staff, in both our embassy in Damascus and our consulate general in Aleppo, looking after our properties there is what it amounted to.

Kissinger was assured by the Saudis that he would be received and well received, and so the decision was made to go to Damascus. That was one of the first stops on this round of preparations for an international conference, and led to the first meeting between Henry Kissinger and Hafiz al-Assad.

I will never forget that first meeting. I think we had allowed maybe a three-hour stop in Damascus, including the transit time to the airport and back, in order to go on to Amman with King Hussein. King Hussein was giving a dinner that night for Kissinger in Amman.

Well, after the photo opportunities and the initial large gatherings, everybody was asked to leave the room, and Kissinger and Assad and two interpreters were closeted. The rest of us sat around downstairs in the presidential office building, not knowing what was going on, waiting for them to break up so we could go out to the airplane and go to Amman and have dinner with King Hussein.

And that meeting went on; my recollection is that it ended up going on for something like six hours. At one time the door opened, and everybody jumped up and we thought they were coming out. It was Kissinger going to the bathroom. Then they went in and the door closed again. And it went on and on. Finally Kissinger did come out and said, "We're now saying our farewells." We all trooped in and shook hands with the president and went off to the airport.

Well, it turned out that again the personal chemistry had worked pretty well. Kissinger had been fascinated by Assad, and Assad had been fascinated by Kissinger. As Kissinger described it to us, they spent a lot of time talking about global problems in the world, not all on the Middle East by any means. They spent a lot of time getting acquainted and having a kind of broad geopolitical discussion before getting down to the purpose of the visit, which was to see whether Syria was interested in taking part in an international peace conference. Kissinger came away with the impression that Assad was in favor of this idea.

Well, there were lots more of these quick trips, more visits to Damascus and Saudi Arabia and Cairo, and we went to Israel to talk to the Israelis, and went to Amman to talk to the Jordanians.

Incidentally, the dinner with the King that night finally got underway well after midnight, with everybody dead on their feet already.

But we began to put together a formula for convening the conference. Basically what this was, was to get the Secretary General of the United Nations to be the convener of the conference, to issue the letters of invitation, with the understanding that the United States and the Soviet Union would be the co-chairmen of the conference. We would have a convener and two co-chairs. Kissinger basically drafted the letter of invitation and the negotiating terms with the principal parties. But it was to be a letter from Waldheim to the parties, which basically would say: I understand that you have all agreed to come to the conference in Geneva to talk about a settlement based upon the principles of Security Council Resolution 242 of November 22, 1967 and 338 of October 22, 1973.

One issue that held it up initially was the question: Shouldn't the Palestinians be at this conference? The Egyptians, in particular, and the Syrians both raised this issue. And Kissinger said, "Well, that's going to complicate things very much if we bring them in at this stage. Can't we defer this until a later stage?"

So finally the language that was used in the letter (and this I do remember because we all worked very hard on it) was "the question of other participants from the Middle East area will be discussed during the first stage of the conference."

Now everybody knew that "other participants" referred to the Palestinians, and that this would be something that could be discussed after the conference was underway.

The final surprise, if you will, came when Kissinger thought he had everything pinned down, everybody had agreed to this letter, and he was just running around and making one more check before it was formally publicly issued as an invitation from Waldheim. He went to see Assad, and he had a long session with Assad. And Assad said, "Yes, this sounds fine to me. But there's

only one thing wrong with it. It says Syria has agreed to go to this conference; I haven't agreed. I'm just agreeing with it as a procedure. This is fine. We, the Syrians, won't try to prevent the conference, but we don't plan to be there."

So we philosophically said, "Well, that's too bad, but we're going to send the invitation to the Syrians.

And so Waldheim sent the invitation to all the parties and said please convene in Geneva on such and such a date, which was very close to Christmas by then. The conference finally convened on the 21st of December.

One final question that had to be settled before the conference convened was the seating plan. How were you going to have the delegations seated? Remember, this was a time when the Israelis and Arabs had not talked to each other since the armistice agreements, except for the Egyptians and Israelis who had had some meetings among military officers to try to negotiate implementation of the six-point agreement that had stabilized the cease-fire. These meetings had taken place at kilometer 101 on the Cairo-Suez Road. In Geneva it turned out that nobody wanted to be seated next to the Israeli delegation.

Well, fortunately, as it turned out, the fact that the Syrians had decided to boycott the conference meant there was an empty place reserved for them at the table, and that gave a little bit of room to play with.

Finally, the solution to this, proposed by the Israelis and agreed to by Gromyko, was that the Soviets would sit next to the Israelis, and then there would be an empty table on the other side. Everybody was around what was, in effect, a seven-sided table, with Secretary General Waldheim, as the convener, in the chair, and with the Americans between the Egyptians and Jordanians. Basically what this did was to have the Israelis between the Russians and an empty place, which they took philosophically.

So the conference in fact opened, with opening statements by everybody and a statement by the Secretary General. And by prearrangement (and this, of course, is important to understand) it was agreed that after the opening statements, all the formalities, the conference would be declared in existence, and then it would be adjourned sine die, while the American Secretary of State was asked on behalf of the conference to try to negotiate the disengagement of forces between the parties, with the blessing of the conference, and then come back and report to a reconvened conference the results of his efforts. This is, of course, what Henry Kissinger wanted, which was to have the blessing of the conference and get the Soviets to be part of the formalities of it, but leave the substance to him. Of course, it was not just Henry, it was what Sadat wanted, too. So that's basically the way the process finally was launched.

Q: So the conference was convened, they met, they turned it over to Kissinger, and went home.

ATHERTON: We all made it home just in time for Christmas. We did all agree that we and the Soviets would leave somebody in Geneva to give an appearance of continuity, to be in touch.

ATHERTON: That led Kissinger to plan another trip to the Middle East. Kissinger assembled the team, and we all flew off to be in the area to talk to the Egyptians and to the Israelis about a negotiating effort to get an agreement on paper and signed by both parties that would be the first stage of this step-by-step process of disengaging the forces.

The trip turned out to be the first of what came to be known as Kissinger's shuttle diplomacy. It wasn't perceived as that at the beginning. When we first went, Kissinger had really not planned, I think, to stay out in the area as long as he did. He thought he could somehow get the process started, leave somebody behind, and the parties themselves would be encouraged to get together and work this out.

Sadat said to him, at the very first meeting, as I recall, "Henry, why don't you stay here, and you can do it. You can talk to the Israelis, and you can talk to us. And you'll find me very cooperative. I have confidence that you're the one who can negotiate this."

Suddenly Henry found himself committed to stay in the area, at least to make an all-out effort to get an Egyptian-Israeli agreement on the disengagement of forces. And that meant flying back and forth in the Secretary's airplane between Egypt and Israel -- sometimes a couple of times a day -- for negotiating sessions.

It was more complicated because this was wintertime, the season when Sadat went to Aswan. Sadat lived in various places. He had various guest houses or villas or palaces, which belonged to the government, that he used, and it was his custom always, in January, to spend that season in Aswan, in upper Egypt. So it wasn't just a case of going to Cairo, we had to fly all the way to Aswan, which was at the other end of Egypt, the southern end. So that became the anchor for one end of the shuttle, and the other end was the Israeli government in Jerusalem, which meant flying between Ben Gurion Airport and Aswan Airport. Sometimes, a couple of times a day.

It also meant having an operating staff in both places. The Egyptians made available to us a fairly modern hotel in Aswan, the New Cataract, next to the Old Cataract, which was a Victorian-era, grand hotel of the British era. The New Cataract was more modern, relatively speaking, and there we established an element of the Secretary's staff, the secretariat. Then we did the same thing at the King David Hotel in Jerusalem. So there were certain people who stayed all the time in Aswan, and other people who stayed all the time in Jerusalem.

Then there were the rest of us, the negotiating team and the accompanying press corps, because Kissinger always took the correspondents accredited to the State Department (or at least as many as could fit into the airplane) along on these trips. So we had a traveling press corps, which consisted of some names that became pretty well known over time, such as Ted Koppel, who was part of that press corps, Dick Valeriani, who was then NBC News, and Marvin Kalb of CBS. I can't remember all of them. Marilyn Berger of the Washington Post, Jerry O'Leary of the then Washington Star, which subsequently became defunct, Bernie Gwertzman from The New York Times, and many more. It was a good group of very interesting people. A lot of the time was spent by Kissinger giving them backgrounders, trying to help them understand what we were

doing, trying to get good press coverage.

The shuttle went on for the better part of two weeks, to my recollection, certainly at least ten days. And out of it emerged a document, with a lot of crises and moments of pique, particularly by Sadat's chief of staff, General Gamasy, who felt Sadat was giving too much away to get this agreement, but who loyally, in the end, stuck with him and supported the agreement.

This was basically a military settlement about how to separate the military forces of Egypt and Israel. Two lines of separation were negotiated, with the Egyptians remaining on the east bank of the Suez Canal so they could say they had not given up territory they had recovered, the Israelis moving a bit east but still controlling the strategic Sinai passes, and a kind of no-man's land in between where nobody could be.

The other part of the agreement, and this was very important, was a commitment that this was only a step on the road to a just and lasting peace, and that it would be followed by further efforts by the parties to resolve all the differences between them. So built into the agreement was language that provided that this was simply a step to get the military forces separated and stabilized and create a better atmosphere, a better situation on the ground, so that Egypt and Israel could then contemplate further steps towards an ultimate peace settlement, without any deadline as to when that final settlement was to take place. It was a statement of good intentions.

The next step was to work out the very complicated technical annexes to the disengagement agreement, which would provide precisely in what steps and by what timetable the two armies would pull back. This was obviously a job for military people, and so a military working group was established -- a military working group of the Geneva Middle East Peace Conference. It was to meet in Geneva, chaired by a representative of the UN secretary general, with a delegation from Egypt and a delegation from Israel, and observer delegations from the United States and from the Soviet Union to sit in while the two military teams together worked out the technical annexes, which would become the orders for the military commanders who were pulling back their troops.

The provisions for monitoring and supervising were very important. There had to be someone that had the good faith of both parties, and that someone at this stage was the United Nations.

You remember that, in October, when the effort was being made to get the cease-fire in place, one of the issues was relieving the siege of the Egyptian Third Army. And to do that, a U.N. contingent was established, or reestablished really. It was the United Nations Emergency Force - - UNEF -- which had existed before the '67 War. It was, in effect, reestablished by vote of the Security Council, and staffed initially by troops that were pulled out of the U.N. forces in Cyprus, to get them there quickly. They were in the area. But the U.N. was given the job of overseeing the disengagement of forces and making sure that the parties abided by their commitment.

This was, after all, an agreement negotiated in Geneva under the auspices of the Secretary General's representative. He designated the chief of staff of the U.N. forces, who was, as I recall, a Finnish general named Silasvuo, who became, in effect, the chairman of this military working

group. It was his job to get the two parties to work together.

And it worked pretty well. The Egyptians and the Israelis had no hangups about sitting down together and talking. So they spread their maps out on the table, and the Egyptian and Israeli generals and their staffs would go at it.

There was a Soviet and an American observer delegation there in Geneva. Hal Saunders was asked to be the head of the American observer delegation. After some initial hitches, it went pretty quickly; it didn't take more than a few days to get the technical annexes finished and signed and sealed.

Q: Were there any other European nations or any other nations at all at the conference and in the negotiations, or was it just the U.S., the Soviet Union, Egypt and...

ATHERTON: Well, the Syrians didn't show up, but the Syrians were carried as a participant in that there was always a place reserved for them at the table. And the Egyptians, Jordanians and Israelis. No one else. That was the conference. The western Europeans were not a party to that. They were kept briefed.

The Egyptian-Israeli disengagement agreement was completed. The parties were in the process of implementing it, which meant, in effect, pulling back their military forces. Eyes then turned to what the next step should be.

There was a general consensus. The Egyptians had very much urged that the next step ought to be a parallel disengagement agreement between Syria and Israel. There was general agreement, I think, that this would be the logical next step, since Syria had been the other belligerent in the '73 War, with Egypt, on the Arab side, and since the Israelis, as a result of that war, were in occupation of a larger part of the Golan Heights in Syria than they had occupied when that war began. They were, in fact, within artillery range of Damascus and very close to the main north-south highway that runs from Damascus down to Amman. It was not a situation that was tolerable in the long run, or stable, from the Syrian point of view. And the Israelis had indicated that they were prepared to try to negotiate some adjustments in this line, which would involve some disengagement of forces on the Golan Heights.

So the next month, really, was spent trying to lay the groundwork for this. Assad sent a representative to Washington, and we had discussions with him. He was a military officer, a general, who was one of Assad's trusted confidants. Then there were parallel talks in Washington with the Israelis. There were also constant conversations with the Egyptians to get their advice and support.

ATHERTON: Later in '75, there was an occasion to reopen the talks with Sadat at a very high level. King Faisal of Saudi Arabia had been killed by a deranged relative. There was a major funeral, and President Ford sent Vice President Nelson Rockefeller to be his representative at the funeral. I was sent along to be Rockefeller's political advisor for this event. He had been briefed

ahead of time by Henry Kissinger about the issues, the status of the negotiations, and what the options were. He was well briefed.

As always happens at state funerals, there were bilateral talks between various combinations of senior people, and among one of those was a meeting between Rockefeller and Sadat, who was also at the funeral. In that talk, Sadat, in effect, said: Tell my friend Henry that I want to try again to have this agreement in Sinai; I think it should be possible. And he hinted at some possible formulas that might work.

So out of this meeting between Rockefeller and Sadat came a decision by the President and Kissinger to make another attempt for a second Sinai agreement. And that led to another shuttle.

By this time I think it was August of '75. That was a long one. Fortunately, since Kissinger always took Mrs. Kissinger with him on these trips, one of the other senior members of these delegations could bring his spouse, and it was my turn, so Betty went with me on this trip.

Well, it turned out that, in effect, there were two negotiations. They began actually in Washington and then continued in Jerusalem. Since it was summer, Sadat was staying at his summer place at Alexandria, so the two terminals of the shuttle were Ben-Gurion Airport in Israel and a military airport in Alexandria. So Kissinger would see Sadat there, and Sadat made available to the Kissinger party the very grand old Ras al-Jin Palace, which was originally built by Mohammed Ali in the 18th century and whose last resident was King Farouk.

It soon became apparent that there were going to be, in effect, two negotiations. One would be the Egyptian-Israeli negotiation on the terms for a second disengagement and the commitments that would be involved, by Sadat to Israeli security and further steps towards peace, and by Israel to further withdrawal. And it boiled down ultimately to this tough question: Where do you draw the line in the passes? It involved some very clever legerdemain and splitting hairs, if you will. The end result was that Sadat was able to say the Israelis were out of the passes, and the Israelis were able to say that they had still maintained strategic positions. It was a crazy kind of splitting of hairs, but it took.

Now the other negotiation was U.S.-Israeli. The Israelis were asking for certain commitments from the United States if they were to take what they saw as a major security risk in giving up land that they had won in battle and held since '67. It was still not going to be peace, but no longer war. There wouldn't be a peace treaty, although Sadat reiterated that his intention ultimately was to move to a comprehensive Middle East peace settlement, but in steps.

So we negotiated a memorandum of understanding, in fact two memoranda with the Israelis.

One had to do with further supplies of military equipment to Israel, some sophisticated equipment to help them compensate for the loss of the strategic buffer between Egypt and Israel in Sinai.

The other dealt with a number of political issues. There were lots of details to this, and I won't even try to remember them all, but the one that really came back to haunt us was the Israeli

insistence that there be a commitment that the United States would prevent admission of the PLO to the negotiations, when we got back to Geneva to negotiate for an overall peace.

And that was the origin of this bilateral agreement between Israel and the United States, after a lot of haggling. The Israelis wanting us to make a pact that we would have no contact with the PLO. Kissinger kept saying, "I can't tie our hands that much. There may come a time when it's in our interests to have contact with the PLO."

The language finally agreed on was that the United States would not negotiate with nor recognize the PLO (which did not include Kissinger's interpretation of dialogue or contacts) until such time as the PLO accepted Security Council Resolution 242 and Israel's right to exist. That was basically the set of conditions. This later became reinterpreted into a much more rigid prohibition on having anything at all to do with the PLO. But at that time Kissinger argued that we would maintain some freedom of action on this.

Now the context of this, clearly, was with a view towards the resumption at some point of the Middle East peace conference. Remember when we talked about that earlier, the question of possible Palestinian participation in the peace conference at some future date had not been ruled out, it had simply been deferred. In order to get the conference started, the language was that the question of future participants will be dealt with at a later stage of the conference, "future participants" meaning unmistakably the Palestinians and who would represent them. The Israelis were adamant that the PLO was not an acceptable negotiating partner. They believed then and still think today that its ultimate goal was the destruction of Israel and the recovery of all of Palestine, and that they should not give it any legitimacy. They certainly did not want to then. And remember this was a Labor government. The Likud government of today would be even stricter about dealing with the PLO. Some Labor people today have come around to say that there must be acceptance of the PLO as the representative. But in those days the Labor government insisted on no PLO.

So the language was finally agreed, but it was clearly understood that it was in the context of attempts to reconvene Geneva, and that we would not make any deals behind Israel's back for Palestinian representation.

So later, when this was used as a basis for preventing any contact between the United States and the PLO, by congressional pressures, by Israeli pressures, for other reasons, it was really out of context, and it became a problem for us in trying to retain some flexibility in the negotiations.

But at the time, Kissinger's judgment was that this was an essential commitment we'd have to make to the Israelis to get their signature on the Sinai II Agreement. They were, in effect, saying we can't sign this agreement with Egypt unless we get these side commitments from the United States.

There were lots of other political and military supply commitments. There was a provision about Israel's oil supplies, because one of the things it was going to have to do, when it made this second withdrawal, was to give up oil fields that it had developed during the long period of occupation in the Gulf of Suez, and in parts of the Sinai where it had exploited existing oil fields.

These had become an important part of its oil supply, and it was going to have to give up some of them. So it wanted some assurance that the United States would be there to help it.

There were lots of bilateral commitments. And they all ended up in a marathon negotiation in Jerusalem to get the final bilateral agreement negotiated. The Egyptian-Israeli disengagement agreement had pretty well been completed, but we were still putting the finishing touches on this bilateral agreement before the Israelis would put a signature to the other.

I'll never forget that night. It was, as I recall, August 31, and we literally stayed up all night negotiating, with Kissinger coming in and out. I had been his designee to do the basic negotiating of this bilateral agreement while he was working on the Egyptian-Israeli agreement, but he of course made the final decisions.

I should say, incidentally, that Betty and I spent most of that shuttle in Jerusalem. We didn't go back and forth on every trip, because we were working with our counterparts while Kissinger was off in Alexandria working with the Egyptians. Hal Saunders, who was with us, was at the other end, working on the Egyptian-Israeli agreement.

Q: Who was making the decisions for us at that time?

ATHERTON: Oh, Kissinger was really making the decisions. He would make regular reports to the President. And remember that Brent Scowcroft was the National Security Advisor. Brent had been Kissinger's deputy. So it was Kissinger, Scowcroft, and the President. But the President in most cases had given Kissinger a great deal of freedom of action. He had made a lot of decisions without having to refer them back to the President. He'd simply report where we were, and what we were doing, and what he thought we ought to be doing next. He was making the decisions, and anything that I did with the Israelis on this bilateral memorandum was all ad referendum, obviously. He would come back to Jerusalem from Alexandria, be brought up to date on where we were, and would make the decisions about what we would try to accomplish the next day while he was gone.

But we did literally stay up all night getting this document concluded. I managed to get maybe an hour's sleep -- by then the sun was up -- and then the group was reconvened for a signing ceremony with the Israelis.

As soon as that was finished, off we went down to the airport to get on the airplane and fly off to Alexandria. Well, by the time we got to Alexandria, it was already late in the evening. We were helicoptered to Sadat's villa, which was set up with a big table and a green covering out on the lawn, and that's where the signing took place. But Sadat was not going to sign this; the prime minister was going to sign it, with Sadat there to bless the whole thing.

Finally, by then it was late, late, late in the evening, and all of us were zombies from jet lag and lack of sleep, the agreements were signed, the press was called in, the pictures were taken, and we all thought, "At last, we can go back to the Ras al-Jin Palace and fall into bed."

And then Sadat said, "Now we're going to have the dinner."

We were all invited into the house, and there was an elaborate spread, with giant Mediterranean shrimps and fish, enough, you know, to feed an army. It was mango season, lots of fresh mangoes. And we literally had to stay and go through this dinner. The ladies joined us: Mrs. Sadat was there, Betty was there, and Mrs. Kissinger, as I recall.

We finally got back to the palace and into our rooms. It had to be after 1:00 a.m. and I was just about to get undressed and go to bed when the knock on the door came. It was one of Kissinger's staff, and he said, "Kissinger wants to have a quick staff meeting about tomorrow." The next day we were to fly to Syria and brief the Syrians, the next morning early. So we all gathered, and fortunately Kissinger had realized by then that we all were at the point of exhaustion. What we did instead was send messages to all the future stops just saying we were going to be delayed, that we're not going to leave as early as we had planned. So we did not have to get up quite at the crack of dawn. Finally got to bed and got a little bit of sleep, and then resumed the trip.

There was one other aspect to that agreement which was important: the question of who was going to oversee the security arrangements in Sinai, who was going to monitor to make sure that, in effect, there was no cheating by either the Israelis or the Egyptians on the areas that were to be demilitarized.

Sadat had said, "I think that we ought to ask the United States to do this." And the Israelis felt they had more confidence in us than they did in United Nations forces.

So in the end, Kissinger agreed, and that was the origin of what became known as the Sinai Field Mission, which was an American mission, headed by a Foreign Service officer, Ray Hunt.

He wasn't the first, though, there was a retired Marine officer, who had joined the Foreign Service. I forget his name now, a very energetic man. He initially set up the Sinai Field Mission and put in quite elaborate monitoring equipment. We also helped the Egyptians equip their monitoring stations with electronic devices. The Israelis had their own. They had retained one very strategic location for their monitoring station, which could still look way down into the interior of Egypt electronically.

But that was one of the results of the agreement, establishing the Sinai Field Mission, manned by U.S. civilian Foreign Service personnel, plus a contractor with some technicians, who were brought to help do the housekeeping side of the mission.

It was built in the middle of the desert, out of prefab modules from a Holiday Inn, I think it was, and the Department had bought them on the cheap. So we had, in effect, a little Holiday Inn out in the middle of the Sinai desert between the Egyptian and Israeli lines.

Well, now we were pretty much towards the end of the administration. It was the end of '75, and I think there was a feeling that it was not desirable to press for any further agreements before the 1976 elections.

This had been, from the Israeli point of view, quite stressful and in some ways traumatic

politically and psychologically to have to give up territory that they had occupied for all those years. They had put enormous resources in the Sinai and built an elaborate defense system, and they felt that they were making a major concession, taking a major security risk. They hadn't yet come to believe that Sadat really was serious about ultimately making peace with them. So the feeling in Washington was that it was probably premature to press for any further agreements at this point. Attention turned to other areas.

The main focus for the balance of the Ford administration and the Kissinger era was not on the Arab-Israeli conflict, except to keep in touch with the parties there and make sure that nothing was coming unraveled. Kissinger would say to them that after elections, with the continuation of a Republican administration he would continue as Secretary of State and could see that the step-by-step process will slowly have to merge into a return to a search for a comprehensive peace. We would build on what we had done. There was some talk about reconvening the Geneva Middle East Peace Conference at some point, which had been only convened for three days in 1973. Everything that had been done since then had been done under the umbrella of the Geneva Conference, and all of the disengagement agreements referred to the need to have a reconvening of this conference at some point. And Kissinger was very careful to keep reporting to his co-chairman, Soviet Foreign Minister Andrey Gromyko, about the progress that he had made.

The Soviets, incidentally, had become increasingly disenchanted about Kissinger's seriousness when he said he'd want to go back to cooperation with them on the Middle East, in Geneva, and yet the diplomacy shut them out. If I could back up a bit, a sign that they finally had become totally disillusioned came at the conclusion of the Sinai II Agreement in September, 1975. There was the usual meeting in Geneva of the military working group to put the final touches on the military annexes of the agreement. The military had to draw their lines on the map and work out the timetable for the steps of withdrawal and then the monitoring of the steps -- a fairly technical agreement. My job was to be the American observer at this military working group meeting in September of '75.

I think I mentioned this was one trip where Betty was with me, so we did this together. I remember we were stopping in London, and Kissinger and his party were on their way back to the States. Betty and I were given a small Air Force executive jet, and we flew off to Geneva carrying the initialed maps of this agreement, which had to be the basis for the whole working group to carry out its work.

I'm filling in a little chink -- this is a flashback. I've moved beyond this in the narrative, but I thought it was important to recall that the working group did meet again. It was the third time, after the third disengagement agreement in 1975, having met after the first Egyptian-Israeli and after the Syrian-Israeli agreements in 1974. The difference this time was that the Soviets turned down the invitation to send an observer as co-chair of the Geneva Conference. They did not show up as observers, because they felt they had been deceived and excluded by Kissinger, and they weren't about to be a party to it.

Okay, back to '76 and the end of the Ford administration. The election of '76 did not return Ford to the presidency, but Jimmy Carter. And therefore there was a new team: Cyrus Vance as his Secretary of State and Brzezinski as National Security Advisor.

It was at this stage that President Sadat went off on his own and announced that he was prepared to go to Israel and deal directly with the Israelis and talk about peace, and cut through all of this red tape and all of this haggling over words and formulas, with not only the Israelis but also with the Syrians.

Sadat had tried earlier to find some way to get things moving, and he even made a proposal at one point that there be convened in Jerusalem an international conference attended by all the permanent members of the Security Council and the Palestinians and the Syrians and the Israelis and the Jordanians and the Egyptians.

We in Washington felt that this was not very practical, and sort of threw cold water on it. The idea of doing something was clearly in Sadat's mind. President Carter became rather discouraged. He had, at one point, sent a message to Sadat saying, you know, I may need to ask you to take some bold initiative to try to help us get to Geneva. I don't think he had any idea that the initiative Sadat eventually would take would be the announcement that he would meet directly with the Israelis in Jerusalem.

Q: In your opinion, what prompted Sadat to do this? Why was he so eager to get this solved?

ATHERTON: There were several things. First of all, remember that Sadat planned the '73 War as a way of getting a diplomatic process going. He didn't plan the war to defeat Israel and win back all of the occupied territories. He wanted to create a situation where Egypt could hold its head high as having made a good show militarily against the Israelis, to get the attention of the Soviet Union and the United States, get the Middle East problem back on the front burner. He wanted to get Sinai back. He wanted to get the Suez Canal working. He wanted to divert Egyptian resources from military to economic development purposes.

He had a strategy at this point. He was to finally put an end to the unending war between the Arabs and Israel, with Egypt taking the first step. That's why he was pushing peace in any way he could. And he had finally, I think, become fed up and was frustrated at the slowness of these efforts through the summer of '77 to find formulas for Palestinian representation. He was angry at the Syrians for making it more complicated. He thought Hussein was an additional complication.

And so he decided the only way to go was to go off on his own. One, he wanted the meeting. He had already invested a lot in laying groundwork and taken a certain amount of criticism for going that far with the Israelis. And secondly, he became quite frustrated about the prospects that U.S. multilateral diplomatic efforts would lead to a conference. But thirdly, and I think this is very important (we learned this later; at the time I didn't know it, and I'm not sure anyone in our government knew at the outset), he and the Israelis had been having private secret exchanges, through their representatives, under the auspices of King Hassan of Morocco. There were meetings between Moshe Dayan, representing Begin, and a very strange Egyptian named Tuhami, who was close to Sadat and a sort of Islamic fundamentalist mystic, as it turned out. Tuhami and Dayan had had meetings in Morocco, about which we were subsequently briefed by Dayan. And Sadat had also sounded out the one Eastern European leader who had relations with

Israel -- Ceausescu of Romania. And Ceausescu had said Begin was somebody you could deal with.

So Sadat had all these signals, and he decided, in effect, here's a man I can deal with in Israel, the Israelis have given me certain signals through these meetings in Morocco that if we make peace, there will be a lot in it for us. That was the message he was getting from Begin, while the United States didn't seem to be able to make things happen. And so basically he just took a leap of faith and announced that he was prepared to go to Jerusalem.

Now this was an add-on to a speech in the Egyptian parliament; it was added to the prepared text. And I think most of us read it and said, "Well, that's grandstanding and rhetoric." But pretty soon there was a response from Israel that Sadat would be welcome in Jerusalem if he were to come. It was a sort of diplomacy by public statement.

And then the media got into the act. I can remember, sitting in Washington, a telephone call from CBS one evening saying, "We just want you to know, you can tell the Secretary that on the evening news tonight Walter Cronkite is going to air an interview he's had, back to back, with Sadat and Begin, in which they both say that they are prepared to meet." And that did come on the air that night. So I went around to Secretary Vance and said, "I guess maybe this is going to happen, Mr. Secretary. I think maybe we are going to actually see a Sadat trip."

And lo and behold, Cronkite went on and this was announced, and the next thing we knew Sadat was sending an advance party to Israel to work out the details of his trip, and it all took place, very fast.

We were all sitting in Washington playing catch up ball. It took a while for us to accept that the whole ball game had changed. Geneva was maybe down the road, but right now Sadat and Begin were going to take the ball in their hands and run with it.

Well, it took a couple of days for Washington to come out publicly and welcome all these developments and wish them well. But in private channels, after Sadat did this, we were asking what are you going to do next? Where do you see this leading? And Sadat, never at a loss for new ideas, said, "Well, I'm going to convene a conference in Cairo and we're going to call it the Preparatory Conference for the Geneva Middle East Peace Conference." And he issued invitations. Invitations to the Israelis to come to Cairo. Invitations to the Soviet Union, to the United States, to the Jordanians, to the Syrians, and to the PLO to come to a conference in Cairo, hosted by the Egyptians, a preliminary conference to prepare the way for Geneva. Oh, he also invited the United Nations, the Secretary General, to have somebody there.

Well, Vance, of course, responded that the United States would be happy to accept this invitation, and that he would personally travel to the area to help give a U.S. blessing to it and then would leave behind a delegation to represent him at the conference, which he announced I would chair.

Of course, the Syrians rejected the invitation, the Soviets rejected it, the Jordanians rejected it, the PLO rejected it. The Secretary General of the U.N. said he would send a representative as an

observer. So the only delegations, in addition to the U.N. observer delegation were the Israeli, the Egyptian, and the American.

It was soon apparent that the action really was going to happen somewhere else. Begin had made a quick trip to Washington, via London, to unveil his ideas for solving the problem. He met with Carter and laid out a proposal which would, in effect, return all of Sinai to Egypt in return for peace, if Egypt would agree to certain security arrangements. This was more than Labor had ever committed to. Labor had wanted to retain positions at the Straits of Tiran, Sharm el Sheikh, and places that were seen as points of vulnerability for Israel's security. Begin was prepared to give back all of Sinai, subject to negotiation of the right kind of security arrangements, to ensure Sinai would not present a jumping off place for the Egyptian military.

The other part of Begin's proposal had to do with the West Bank. And there, he said, "We are prepared to talk about granting autonomy to the," as he called them, "Palestinian Arabs of Judea and Samaria and the Gaza district," which meant, in our language, the West Bank and Gaza. He said "Palestinian Arabs" because, he said, "After all, the Jews are Palestinians, too, so you have to distinguish between the Jews and Palestinian Arabs." This clearly was his attempt, as later became apparent (though it was not as clear at the time) to get a separate peace with Egypt and hold onto the West Bank by coming up with a proposal which offered autonomy for the Palestinians, while leaving open the ultimate solution. It was clear he wanted not to have to negotiate over withdrawal from the West Bank and Gaza.

So he unveiled this plan to Carter and also to the British in London on the way through. Sadat had given an invitation to Begin to make a return trip, in return for Sadat's visit to Jerusalem. He had invited Begin to come and meet him on Egyptian territory, but not yet in Cairo. So they agreed that they would meet on the Suez Canal, in Isma'iliya, on Christmas Day, the 25th of December 1977, which also happened to be Sadat's birthday.

The Cairo Conference convened first. That is where I was with my little delegation, and with the Israeli delegation, headed by somebody that none of us had met before, Eliyhu Ben-Elizar, who was a member of Begin's Likud Party, who had a long history of working in the intelligence service in Israel, and who was a very ideological, committed Likud Party member and a confidant of Begin's. Incidentally, he eventually became the first Israeli ambassador to Egypt. There were also on the Israeli delegation some people we did know, who came out of the Israeli Foreign Ministry, some of whom we'd worked with on earlier negotiations.

The head of the Egyptian delegation was Ismat Abdul Majid, who had been the Egyptian representative in New York when he was designated to become the head of the Egyptian delegation.

The conference convened, and there were a lot of last-minute scramblings because, even though all of the other parties had declined to come, the Egyptians wanted to fly all the flags, including the Palestinian flag to which Israel objected.

The conference was held at the Mena House Hotel, right next to the Pyramids in Giza, where Churchill, Roosevelt, and Chiang Kai-shek had a meeting during World War II, one of the big

summits. It was a place that could be made secure, and the Egyptians were worried about security. The whole area was simply cordoned off, except for delegations and the press. It swarmed with security. Even the Pyramids were blocked to tourists, except for groups with very special permission. It made a lot of tourists very mad, by the way. And, of course, Mena House is a very popular tourist hotel, and the whole thing was taken over by the Egyptian government for the conference, plus another hotel nearby for the press.

There was an incredible turnout of the world media. All the big names were there from the U.S. John Chancellor from NBC and Walter Cronkite from CBS -- you name them, they were all there.

The opening of the conference was one of the most spectacular photo opportunities I have ever witnessed. There were so many photographers that they couldn't all get in the great big plenary room at one time. The photo opportunity went on for more than an hour, because they brought in one group and took them out, then brought in another group.

And finally the conference got under way. As things developed, it was known by now that Begin and Sadat were going to have a meeting a few days later at Isma'iliya, and clearly no delegations were going to preempt their principals, so there were very nice exchanges, speeches, and it was a pretty light conference schedule, I must admit. It was more of a PR event; it was really largely PR, but it did provide an opportunity for some of the Israelis and the Egyptians to get to know each other better. There was lots of socializing, and they had a chance to talk together and meet together and argue points together. It wasn't exactly collegial yet, but at least they were civil to each other.

Everybody made opening speeches for the record for the meeting, and then, since there wasn't a great deal on the agenda because we were waiting to see what would come out of Isma'iliya, the Egyptians, being great hosts, organized sightseeing trips. I saw more of Cairo and the environs then, as a tourist, than I ever saw when I was ambassador there.

But the conference did provide a symbolic bringing together of Egyptians and Israelis around the conference table. It did provide a chance for Egyptian and Israeli diplomats to begin to interact. It provided a lot of good feeling. The Israeli delegation, for example, was seen going down to the Khan al-Khalili, the bazaar in Cairo, shopping, and the Egyptian merchants would come up and say to the Israelis, "Welcome to Cairo, welcome to my store." A lot of bubbly warm feeling came out at that point.

The conference, in the end, only agreed, as I recall, on two major decisions. One decision was that we would observe the Sabbath of all three delegations, so the conference would not hold sessions on Friday, Saturday or Sunday, out of respect for the Muslims, the Jews, and the Christians. And secondly, while we were there we had received word that Philip Habib, who was well known to everybody there, had had a heart attack, and so the conference immediately passed a unanimous resolution to send wishes for a speedy recovery to Phil Habib. And those were the only two resolutions that were passed there, to my recollection.

There was a lot of effort to put together public statements, and I think we may have issued a

bland kind of communique at the end. But on Christmas day came the real communique, out of Isma'iliya. And, incidentally, a lot of the press deserted us then and went down to Isma'iliya, to be present at the second Sadat-Begin meeting, which was Christmas day.

We had a Christmas party meanwhile, in Cairo. The American ambassador, Hermann Eilts, had a traditional party every year for the American community, or at least the American Embassy community and some of the private community, and he invited the three delegations to come to this party. It wasn't Christmas day, but it was a reception with Christmas carol singing. And I still have a picture in my mind of sitting around the big entrance hall in the residence in Cairo, with somebody playing Christmas carols on the piano, and members of the Israeli, Egyptian, and American delegations all singing Silent Night, Holy Night. It was quite a festive occasion. We had a Christmas tree in our delegation room in the Mena House Hotel, which somebody found for us, and we had a little reception there for the Egyptian and Israeli delegations and the U.N. delegation. We had a lot of conviviality, but there was very little substance, because the substance was going on down at Isma'iliya.

And by the way, there were no Americans at the Isma'iliya meeting. This was Sadat and Begin and their delegations.

Sadat had just announced, just before that, that he was appointing a new foreign minister. He had, by the way, lost his foreign minister, who had resigned over disagreement with Sadat's going to Jerusalem. Several other senior people agreed with the foreign minister, who felt that Egypt should not break with the other Arabs and go off on its own. So Ismail Fahmy, who had been the foreign minister since 1973, had resigned, along with one or two others and Sadat had to appoint a new foreign minister.

So he appointed an Egyptian diplomat, an old friend named Muhammad Ibrahim Kamal. They had been in jail together under the British. Muhammad Ibrahim Kamal was at that point the Egyptian ambassador in Bonn, happily ensconced in Germany, when he was summoned back to become Sadat's foreign minister. Sadat felt he was a personal friend who would be a loyal foreign minister and would not resign or otherwise oppose Sadat's decisions for the peace. He wanted a foreign minister who would be quiet, who would do what he wanted, because there was a certain amount of resistance among some of the Egyptian nationalists and pan-Arabists in the Foreign Ministry, and in the media, to the whole decision by Sadat to move unilaterally with Israel.

It was a popular move in the street and among many of the merchants in Egypt, who were glad to see the war come to an end. But there were critics among the intellectuals, in the think tanks of Cairo, in the Foreign Ministry and academic circles. Haikal, who was the editor of al-Ahram and very close to Nasser, had broken earlier with Sadat and criticized this move to make peace with Israel.

Sadat just wanted a team that would work with him and wouldn't give him any problems. He was going to go ahead no matter what, and damn all those torpedoes coming from people sniping at him from the side, and even more, sniping at him from the other Arab capitals. So he named Muhammad Ibrahim Kamal as his foreign minister and believed he now had a team that would

support him and back him.

The Isma'iliya meeting agreed on a communique which basically said they would create two mechanisms to continue the negotiating: a military committee, which would be headed by ministers of defense and would deal with military questions of the peace settlement -- security, withdrawal, and all those things; and a political committee, which would deal with the political questions of the peace settlement, headed by foreign ministers. The first meeting of the military committee would take place in Cairo, and the first meeting of the political committee would take place in Jerusalem.

Sadat agreed to all this, much to the embarrassment and chagrin of some of his government, who did not want to go to Jerusalem. They felt that going to Jerusalem somehow recognized Israel's claim to it, so they didn't like the idea of having meetings in Jerusalem at all. But Sadat had agreed, and they all stood up and saluted.

Begin and Sadat invited the United States to send Secretary Vance to be present as an observer, really more, but less a participant than a facilitator, if you will, at the political committee meeting in Jerusalem.

The military committee, it was felt, could meet without benefit of American presence. The Israeli minister of defense at the time was Ezer Weizman, who was a great showman and quite supportive of this whole new initiative with Egypt, and had made a good impression on Sadat. He had a way of playing up to Sadat, saluting Sadat when he came in the room, and just making a general show out of all of this. Weizman became very popular in Egypt.

Weizman also had a very good personal relationship with General Gamasy, who was the minister of defense in Egypt. He was the one, by the way, who gets credit for the military plan that surprised the Israelis when the Egyptian Army crossed the Suez Canal. So Gamasy and Weizman had a good relationship. Weizman came to Egypt, and there were a lot of photo ops of Weizman seeing Cairo and meeting with Gamasy in Egypt.

The political committee meeting was something else. Muhammad Ibrahim Kamal was acutely uncomfortable. He was a strong Arab nationalist, and while he was loyal to Sadat, he was not happy about being Sadat's foreign minister to negotiate what he believed to be a separate peace with Israel. He subsequently wrote a book, by the way, once he was no longer foreign minister of Egypt, critical of a lot of Sadat's policies of that period.

So the political committee meeting convened in January 1978 in Jerusalem at the Hilton Hotel. The American delegation spent a lot of time going back and forth between the Israelis and the Egyptians, trying to help them sort out their next steps, what their objectives were, what they wanted to do next. And, of course, there was a problem getting a meeting of the minds. Sadat's instructions to his delegation were that he wanted them to work for a declaration of principles, which would be agreed with Israel -- principles governing a total or comprehensive peace settlement which then could be presented jointly by Israel and Egypt to the other Arabs as a basis for their negotiating their own peace settlement, principles such as Israel will withdraw from the occupied territories in return for Arab recognition, and the Palestinians have national rights.

These were all things that seemed quite unexceptional from the Egyptian-Arab point of view, even perhaps making too many concessions for peace with Israel, but were anathema to a Begin government. Would Israel agree to withdraw from more territory? Certainly not from the West Bank. Palestinian national rights? Unheard of.

So the atmosphere at the Jerusalem conference was rather strained. And the final blow was a dinner party, at which Begin got carried away in his toast and said some rather critical things, and referred to Muhammad Ibrahim Kamal as "young man." He was rather condescending to Kamal. Kamal was offended and replied, with some dignity, very briefly. And the report of this meeting went back to Cairo.

That evening there was to be an American dinner as I recall, with the Egyptian delegation. Muhammad Ibrahim Kamal asked Vance for an urgent private meeting and said, "I've just been told by Sadat he wants to break off the meeting and summon my delegation back to Cairo. He's very unhappy with the way this meeting is going and with Mr. Begin's attitude."

And so Vance spent a lot of time trying to get Dayan to talk to Kamal and to try to persuade him that Begin had not meant to offend, that it was very important that this first serious meeting of the delegations after Jerusalem and Isma'iliya not be seen to be broken up.

But Sadat's orders were firm, and so the Egyptian delegation decamped, went off to the airport and flew back to Cairo.

Q: Do you think Begin meant this to offend?

ATHERTON: No, I don't think he meant to offend, I think he was insensitive, you know, being Begin.

Q: Did your delegation have any instructions from Washington about what kind of outcome you wanted to get from this conference?

ATHERTON: Well, we were still talking in terms of trying to get an agreement between Egypt and Israel with which we could persuade the other Arabs to join in a peace conference. That was still the only objective. Yes, we were still talking in terms of Geneva. And we basically agreed with Sadat's concept that if you could get a declaration of principles everybody would sign onto, then you've got an agenda, in effect, for an international conference. So we had no problems with this as an objective, to get agreement on a statement of principles that would be acceptable to both Israel and the Arabs.

Q: But you didn't have a blueprint of what...

ATHERTON: We didn't have a blueprint. Vance had general instructions from Carter, and he was the Secretary of State; he was there to influence and facilitate the Egyptian-Israeli talks and also to make American contributions. He had considerable carte blanche, he felt, to put forth American efforts to help the process along.

But there was no persuading Sadat to have the Egyptian delegation stay. And then the question: What do you do now? This was the one forum which was going to carry on what Sadat started when he went to Jerusalem, and it had now suddenly collapsed. What do we do next? How do we get from here to there? Nobody had a game plan. It was quite apparent at that point that Sadat really didn't have a detailed game plan. He had a vision of where he wanted to come out, and his vision had certainly achieved a major breakthrough... But still it was a long way from there to the peace treaty.

And the Israelis clearly felt that they had put their plan on the table. Their plan was a negotiated peace settlement with Egypt, and autonomy for the Palestinians in the West Bank and Gaza to keep them happy, and keep the other Arabs out of the negotiations. Maybe make a separate deal with Hussein at some point. The Syrians weren't ready. So basically the Israelis were talking about a bilateral peace settlement with Egypt, with some cosmetics for the Palestinians.

Sadat was talking about a comprehensive peace. He really, I think, was genuine and sincere in saying that he wanted to bring all of the Arabs into this. He didn't want to make a separate peace with Israel and be accused of having deserted the Arab cause.

Well, while everybody was trying to figure out what to do next, the decision was made that Secretary Vance could not spend all the time Kissinger had on Middle East trips; he had to tend to some of our interests in the rest of the world. And therefore what was needed was someone who would become his representative, to keep in touch with the parties... a lot of traveling in effect shuttling around the area. Vance recommended and the President agreed I was the logical one to do that. But I couldn't possibly do that and continue to run the Near East and South Asia Bureau, with all of its responsibilities for other parts of the region.

ATHERTON: So the decision was made that I would move from being assistant secretary to a position of Ambassador-at-Large for Middle East negotiations, thereby freeing me of any responsibility for running the Bureau. And Hal Saunders would move up and become the assistant secretary and run the bureau.

That happened in April of 1978, and my job then really became the traveling salesman for a peace process, with a lot of trips to the area, mostly between Jerusalem and Cairo, seeing Begin, seeing Sadat, seeing their foreign ministers, seeing whomever they delegated. The whole focus was on the concept of trying to get agreement on a declaration of principles.

We're in the period after Sadat's meeting with Begin at Isma'iliya, after the Cairo conference, in December, 1977.

You recall that there was an attempt to get a negotiating process started by convening two committees that Begin and Sadat had agreed at Isma'iliya should be convened: a political committee of foreign ministers and a military committee of defense ministers, Israeli and Egyptian, to talk about the basis for a peace settlement and security arrangements. As I discussed on the earlier tapes, the political committee ended up by Sadat's anger over Begin's position and

recalling his delegation. So there was no negotiating process, really, in train, and the concern was that this had somehow to be restarted.

I had spent a great deal of time in the months right after the breakdown in January in my new role as Ambassador-at-Large shuttling between Jerusalem and Cairo to see if I could help formulate a statement of general principles that Sadat wanted to get Israel and Egypt to agree to as a framework for a more detailed peace negotiation. Something that would establish the principle of withdrawal from occupied territories, the principle of peace in return for withdrawal, the principle of self-determination in some form for the Palestinians, and a lot of others more detailed.

Anyway, this shuttling back and forth went on during February, March, April, May, and June without any visible progress, and tempers on both sides getting increasingly short. It was now a half a year since Sadat had gone to Jerusalem, and he felt he was being stonewalled by the Israelis. The Israelis felt that he was asking for more than they were prepared to give. They were at least talking about peace with Egypt; here he was trying to talk about the Palestinian question.

So it looked as though this grand gesture which Sadat had made, and all of the euphoria that went with it, might evaporate without any concrete results -- something that obviously was of great concern to the world, certainly to the United States, and, I think, fundamentally to the Egyptians and the Israelis, too.

It was at this point that Secretary Vance proposed that he would like to bring the foreign ministers of Egypt and Israel together for a meeting, not to try to negotiate all of the details of a peace settlement, but to try to overcome some of these broad conceptual problems that they seemed to have in dealing with and in trying to talk to each other. They were really talking past each other. And also there hadn't been any direct meetings, at least at the political level, on the foreign ministers' side, as I recall, since the political committee had been disrupted, had been broken off in Jerusalem at the end of January.

Secretary Vance's idea was that if you could just get people together for a long enough period, they would begin to listen to each other, maybe understand each other's point of view, maybe begin to hammer out some broad principles as a basis for a more detailed negotiation of agreements.

The Egyptians had a problem in meeting in Jerusalem, which they would not recognize as the capital of Israel, and they felt that some of the other Arabs were critical of Egypt for going there, thus seeming to accept the Israeli claim to sovereignty. The Israelis wouldn't meet in Cairo if the Egyptians wouldn't meet in Jerusalem. Therefore the problem was to find neutral ground.

The Secretary's proposal was that the meeting be in London, and he asked the British if they would be prepared to host. The British said they'd be delighted to, but then they got to thinking about it and decided that London was perhaps not the place. There was great concern that some Palestinian extremists would attempt to disrupt the meeting, perhaps even pull off some spectacular terrorist act, and that therefore they needed a more secure place to meet.

The British offered at that point Leeds Castle, which had been converted into a conference center and had been modernized. By that time I think it was government property, but it had been owned for a while by a rich American lady with a titled English husband, and they had put in modern plumbing and electricity and all the amenities while keeping the ambiance of a medieval castle. It was a genuine castle and had been at one time Henry the Eighth's castle. It had a moat around it, grand dining halls, high-ceilinged rooms of enormous capacity for the guests, lots of space for all the principals to stay. So the decision was we would have the conference there. As I recall, it lasted the better part of a week, with one wing for the Egyptians, one wing for the Israelis, and the Americans had a third section of the castle for our living quarters.

Betty was there with me and, as I recall, Mrs. Dayan was there with Moshe Dayan, the Israeli foreign minister. Muhammad Ibrahim Kamal, the Egyptian foreign minister, did not bring his wife. I don't think there were any Egyptian wives at the conference. But there was Mrs. Dayan, Mrs. Vance and Mrs. Atherton. Betty and I were given a grand bedroom, with a canopied bed and a fireplace, a really royal suite. And it was a very comfortable week. They had a good kitchen and a good wine cellar. It provided a more relaxed, informal atmosphere in which to try to get the Egyptians and Israelis to break down the psychological barriers, to get them to relax. Hopefully that would then lead to the opening of minds.

One of the problems was, at the first meal in the dining room the Egyptians were at one table and the Israelis were at another, and the Americans scattered themselves in between, and it was decided that the first thing we would try to do was to get them to have a little more intermingling, a little more socializing, if you will, at mealtime. So Secretary Vance decided, as host, to try to arrange the seating so that there would be alternating American-Egyptian-Israeli-American-Egyptian-Israeli around each of the tables.

Q: There were no British at this conference?

ATHERTON: There were no British at the conference, except the majordomo who ran the place, who was a grand British butler, wearing black tie all day, plus the staff. David Owen, who was the British foreign secretary, did pay a courtesy visit one day and called on the foreign ministers. But it was strictly an American-Egyptian-Israeli conference. It didn't have any very detailed, organized agenda. It may not even have had an agenda, but there were some obvious things to talk about.

One of the sessions I remember particularly well was when the Egyptian side made a full-dressed presentation of the Egyptian positions, going back to the decision to visit Jerusalem, a checklist of the reasons for that decision, Egypt's peace objectives, the reasons for them, the importance of its relations to the Arab world.

This was all done in a very organized, articulate way by the man who has often been called the eminence grise of the Egyptian Foreign Ministry, Osama El-Baz, was senior under secretary to the foreign minister, also very close to Sadat. He had studied in the States, he was a Harvard graduate, and he had been the president at one time when he was in this country of the Arab Student Federation of the United States, very much of a political animal, very much of an Arab nationalist. And he was Sadat's speech writer. Whenever Sadat had to give a speech in English,

El-Baz wrote the speech, because he spoke idiomatic American English. He also did most of the press statements in English for Sadat.

Anyway, he made the presentation on behalf of Kamal, the foreign minister, and at the end of it, I can remember Moshe Dayan, who was listening to him, saying in effect, "I want to congratulate you, Mr. El-Baz, on that excellent presentation. For the first time I think I have begun to understand the Egyptian position, what are your concerns."

And that was something of a breakthrough, because there was some reciprocity. I'm not so sure about Foreign Minister Kamal, who was uncomfortable meeting with the Israelis, but he was there because he was a loyal servant of Sadat's and Sadat had asked him to do it.

But some of the Egyptians heard what the Israelis were saying, and began, I think, to understand the Israeli concerns, where they were coming from, not only as Israelis, but as a people, as Jews with a historical memory of the war and the holocaust and what troubles they had had in establishing a right to security and a state.

So the conference didn't achieve any breakthroughs in terms of agreements on elements of a peace settlement, but it did, I think, constitute something of a psychological breakthrough.

In any case, the problem was what do you do next? There had to be follow-on. Vance suggested that the foreign ministers should continue this dialogue, without his having to be there, and since they wouldn't meet in each other's capitals, we would be glad to offer them the hospitality of the American Sinai field mission station, established in the Sinai after the second Egyptian and Israeli disengagement agreement, where we had an American staff, an American facility, an airstrip..., all the things you could need for the conference. So we suggested that there be a meeting of the foreign ministers. I was to be there as Vance's representative while they continued this dialogue, hopefully hammering out some agreements on objectives, on where they were going. I was asked by Vance to go to Egypt and present this proposal directly to President Sadat.

By now it was summer, and Sadat was in his summer villa in Alexandria on the Mediterranean coast. I went up to Alexandria with Hermann Eilts, who was our ambassador in Cairo.

As we came into the presidential villa, Hermann noticed that there was an unusually large collection of the press, the international press, much more than normally came. It was the kind of turnout that usually only came when you had a meeting between the Secretary of State and Sadat. For my meetings, there were usually just the stringers or the local representatives. So Hermann's immediate reaction was: He's got something up his sleeve assembling the press like this... one of his surprises, Sadat had a habit of pulling surprises out of the hat.

We went into the meeting, I made my presentation, Sadat listened politely and smiling and, I thought, somewhat restrained, somewhat distracted. I wasn't sure whether he was listening as closely as I wished he would. But when I got all through, he said, "Thank you very much, Roy, for that very nice message from Secretary Vance, but I have already made the decision. My decision is that there will be no more meetings between my foreign minister and the Israeli foreign minister until the Israelis agree to a statement of principles which includes Palestinian

self-determination and Israeli withdrawal from the occupied territories in return for peace with the Arabs." That's what this was all about. And he said, "Now I have made my decision, let's you and I go out and announce this to the press."

I said, "Mr. President, that's your decision, and I don't think it would be understood in Washington if I were seen with you while you made this announcement. I regret that this is your decision. I have to say I know the Secretary and the President will regret it. We feel very strongly that these talks ought to continue, the efforts should continue..." I made the effort and Hermann Eilts was backing me up.

The president heard us out but did not change his mind.

I said I thought it better if I left before Sadat made the announcement. So I left and made some inane statement to the press, Hermann and I got into the car and drove away, and that night saw on television and heard what Sadat had said. Well, this caused a certain amount of consternation.

Q: *Who got...?*

ATHERTON: Oh, I think it was his own idea. Sadat was a master of shock treatment and was very impatient with diplomatic bargaining. He felt that he had made the ultimate gesture by going to Jerusalem, conveying to the Israelis that the doors were open for peace, telling Israel Egypt would recognize and accept it, which is what it had always wanted and he was sure the other Arabs were going to follow. But in return Israel should keep its part of the bargain, which ever since Resolution 242 after the 1967 war was understood to be that the territories Israel had occupied should be held in trust until such time as the Arabs would accept peace. This was Israel's bargaining chip. Sadat also felt at this time that the Palestinians were a party to the conflict and they had to be seen as such and be given their legitimate rights as well. So Sadat was impatient. He felt that the Israelis, in effect, were not prepared to make the reciprocal gesture to the gesture he had already made, as he saw it.

The Israelis saw it differently, of course. You have to remember that it was now a different government. It was Mr. Begin, not the Labor government, whose whole lifetime had been spent in disagreeing with Ben-Gurion and all the Labor governments over the question of partitioning Palestine. Begin always insisted that Israel had a right to all of Palestine, and should not agree to return any of the West Bank, any of Palestine as part of a peace treaty, which would be an abandonment of his lifetime ideology.

So there really was what looked at the time to be an unbridgeable gap. Sadat enjoyed dramatic moves, and clearly he thought the time had come. I'm sure that this was his own idea. He may have been urged by advisors to break off the talks, or to call the bluff of the Israelis, or to force the American hand, or whatever. But I think it was typical Sadat, these dramatic gestures, sometimes rather quixotic. But it did get the attention that he wanted. Although I hadn't realized it at the time, because I was out in the field, it led to a meeting at Camp David of President Carter and Secretary Vance and Brzezinski, perhaps other advisors, out of which came a decision to invite Sadat and Begin to a conference, under President Carter's chairmanship, at Camp David.

None of this was known at the time to those of us in the field. It was held closely. The communication to Hermann Eilts in Cairo, Sam Lewis in Israel and me was simply that Secretary Vance was coming out to the area and would inform us of what the President had decided.

When Vance arrived, he told us that he had been sent out to convey from the President an invitation to President Sadat and Prime Minister Begin to come to Camp David for a conference to try to hammer out the elements of a peace settlement.

This was by now, I guess, August, if I'm not mistaken, or late July of 1978. It was getting on towards nine months after Sadat's trip to Jerusalem, and nothing had happened despite my shuttling back and forth and a lot of attempts by the United States to get an agreement.

Vance took the proposal, in separate meetings in Israel and in Egypt, to Begin and Sadat, and both of them accepted. Sadat, as I recall, gave Vance a draft of what would be the Egyptians' proposal. Sadat said he would present this position, but then he said, "You can tell President Carter privately what my fallback positions are."

And so Vance was given, in effect, what Sadat was willing to agree to. This was held very closely. Vance shared this, as I recall, with Eilts, Lewis, and me, and perhaps others, but it certainly was not generally shared within a larger circle, because he thought it was dynamite. It would be seen that the United States was colluding with Sadat on certain positions without thorough consultation with the Israelis. It was a delicate spot. But Sadat in the beginning thought he had a special understanding with Carter, that the two of them were partners, would work together to get the Israelis to agree to positions which Carter and he thought were reasonable, even if the Israelis didn't.

Well, in any case, the stage was set. It was agreed that Carter would meet with Sadat and Begin at Camp David in September of 1978.

The next step was to prepare the American side for this conference. Vance decided that he needed a little bit of quiet time, so he arranged to have the use of Averell Harriman's estate in Virginia.

What came out of this was a very intensive weekend of brainstorming, among Secretary Vance, Bill Quandt from the NSC staff, and Hal Saunders, who was by then assistant secretary for the Near East, and myself. We sat around the swimming pool, the dinner table, the garden and the living room, and we talked and talked and talked. We began to reduce some of this to paper, and we finally came up with what Secretary Vance said he would recommend to President Carter be the American proposal for Camp David.

The reason for doing this was a very strong feeling that, if Egypt and Israel were asked to put proposals forward, they would be so far apart that we would waste an awful lot of time in just trying to compromise the two positions. So the concept was, the way to get to genuine discussions would be for the United States to persuade both the Israelis and the Egyptians that they should agree to start negotiations with a single negotiating text, which would be a text prepared by the United States for them to react to.

The Egyptians and Israelis both agreed. They had given us their views, and we would take into account if at all possible the principal concerns of both sides. Obviously it would not be acceptable to either side at the start, but at least it was a basis for the beginning of negotiations.

And that was basically how Camp David proceeded. There was an initial statement by Sadat, a formal statement that he read, that contained Egypt's maximum positions, and that was received very coolly, I might say, by Begin and the Israeli delegation. It sounded as though it had been drafted by lawyers in the Foreign Ministry. The Israelis also presented their position.

And then, the formalities out of the way, we broke up into smaller working groups headed by Cy Vance, Moshe Dayan and Muhammad Ibrahim Kamal, with their immediate advisors -- not the principals, not Begin, Sadat, and Carter. In fact, there was a tacit (maybe it wasn't so tacit) agreement made early on, on the American side, that the chemistry still was not very good between Begin and Sadat, and that probably the best way to have Camp David proceed would be to keep Begin and Sadat from talking to each other and for the negotiations to be conducted through their foreign ministers.

In fact, I don't think there were any more meetings, until the end of the conference, between Sadat and Begin. The Israelis had their own cabins, and the Americans had theirs, and the Egyptians had theirs. There was a lot of American mediation back and forth between the delegates. There were also meetings of delegations, but not at the top. Not even socially. Sadat took all of his meals in his cabin. Begin used to come to the common dining room with his delegation, but Sadat really was quite aloof during this whole thing. He was obviously being consulted by his delegation, and President Carter met with him, but he was not a party to the direct talks.

It was a very strenuous week. The talks went on morning, afternoon, and well into the night. Those of us drafting and redrafting papers and having new texts ready for the morning session had a lot of very short nights without too much sleep. There were a lot of informal exchanges when we were out walking around the gardens and around the pathways, and over meals and over drinks, without sitting around the conference table with people taking notes.

But soon the real hangups began to emerge, the critical issues. What the Americans introduced was a single text which would deal with all aspects of a final peace settlement involving Egyptians, Israelis, and also the other Arabs. It became apparent that the Egyptians did not simply want to deal with bilateral Egyptian-Israeli issues, they wanted an agreement that would take into account the interests of the other Arabs as well. The Israelis for their part were much more interested in having a bilateral peace treaty between Egypt and Israel.

The solution to this, in which President Carter was personally involved, was to have two documents. And the President himself sat down with a yellow pad and fleshed out one night what he thought should be the main elements of a bilateral treaty between Egypt and Israel, while delegations continued to work on a more comprehensive document, which would deal with the Palestinian problem and all the other aspects of a peace involving the other Arabs.

Several concepts became clear. One, the Egyptians wanted very much to have a linkage between progress towards a comprehensive settlement including a solution to Palestinian issues on the one hand, and progress towards an Israeli-Egyptian settlement on the other. For example, Egypt and Israel would agree to normalize relations, ending the economic boycott, establishing trade relations, etc. Each of these steps would be keyed to some progress towards agreement between other Arab states and Israel, so that Egypt would not be getting out in front.

Another issue was how do you deal with the basically unbridgeable gap between the Begin government's position that they could not commit themselves to anything that would undermine their claim to all of Palestine, and the Egyptian position that the commitment to withdraw from occupied territory in Resolution 242 included a commitment to withdraw from the West Bank and Gaza. This was something we had all wrestled with, even before coming to Camp David, and had come to the conclusion that this was not solvable in one step, and therefore we had to find intermediate steps. And that led to the idea of transitional arrangements or interim arrangements which would not prejudice the final solution. The idea of this actually had begun to emerge early on, and was developed further in a paper that Hal Saunders drafted after the Leeds conference. It was very much a part of the single negotiating text proposal that came out of our talks at the Harriman estate before Camp David. This was a concept which eventually found its way into the Camp David Accords.

So there were, in effect, now two negotiations going on -- one on the terms of the Egyptian-Israeli treaty and one on the terms of a comprehensive peace. At the end of something close to two weeks, the negotiations had come down to just a few final issues.

There was now agreement that there would be two documents, one on an Egyptian-Israeli settlement and one on a comprehensive peace settlement. Neither one in itself was a treaty. These were seen as frameworks to guide negotiations for peace treaties.

Two big issues remained. One was the Egyptian insistence to have some statement on Jerusalem. The other was to have a commitment by Israel that it would stop its practice of establishing settlements in the occupied territory, which was considered by the United States and by Egypt to be a violation of international law governing occupied territories, and which would create obstacles in the negotiations.

The last night at Camp David, Carter and Begin with a few senior advisors (not including Eilts, Lewis, Quandt or me) met to try to resolve these issues. And at the end of the meeting, it was reported to us by Vance on behalf of the President that Begin had agreed to a freeze on settlements for the duration of the negotiations. On Jerusalem, it was basically agreed to disagree.

The procedure had been well established early on at Camp David that both sides, the Israelis and Egyptians, would look to the Americans to do the drafts; we would prepare the documents, and they would then react to them with counter drafts, suggestions, changes in the wording. Our first drafts of all the documents were prepared after consultation with the two parties, and an attempt was made to hammer out agreements in advance of meetings with the parties. We would use the draft on which we thought we had fair agreement from both sides, with differences and possible

tradeoffs in brackets. But on Jerusalem this was not possible. There was no way that you could come close to a position acceptable to both sides. The position of the Egyptians was that the status of Jerusalem remains to be determined, that Resolution 242 required the Israelis to relinquish control of East Jerusalem which they had occupied in 1967, that there had to be a place for Muslims and Arabs in the final settlement of Jerusalem. The Israeli position was that all of united Jerusalem was the capital of Israel and non-negotiable, and they would guarantee the rights of the three religious communities. The American position incorporated quotations from statements that had been made on the record in the Security Council discussions about Jerusalem, initially by Arthur Goldberg for President Johnson right after the 1967 war and then a statement by Ambassador Yost, Charlie Yost, our U.N. ambassador under Nixon, who stated our position that East Jerusalem was occupied territory to be on the agenda in peace negotiations. This was unacceptable to the Israelis, and it didn't go far enough for the Arabs, for the Egyptians. In the end, this issue was resolved by annexing three letters to the Camp David agreement stating the Egyptian, Israeli and U.S. positions -- in our case by reference to the Goldberg and Yost statements, without quoting them. Ours was a long-established bipartisan position.

The other position on settlements proved to be the source of a continuing disagreement. We never did get that reduced to writing and signed by the President and Begin, because meanwhile the clock was running out. The President had decided that he had given Camp David long enough. If we didn't lock in what we had, then the whole thing might begin to fall apart.

There had been a couple of worrisome moments at Camp David. At one point, for example, President Sadat had announced that he was going home. He had ordered to have his bags packed and asked that the helicopter be sent up to take him and his delegation back to Washington. He felt that the conference was not coming to grips with the real issues and he was going to leave. He was very impatient with the lawyers and the details of the negotiations. He wanted to make sweeping statements of principle and then let the negotiators fill in the details. Well, how much of this was a bluff and how much was serious we'll never know, but the President personally went to his cabin and reasoned with him and persuaded him that he should give it a little more time.

Another thing at Camp David was that the Egyptian foreign minister finally reached the end of his rope. Sadat kept overruling him with instructions the foreign minister felt should not be given. The particular issue which was the breaking point for Muhammad Ibrahim Kamal was when Sadat agreed to give up any linkage between Egyptian-Israeli peace negotiations and the comprehensive peace settlement involving the other Arabs. Sadat agreed Egypt would not make agreement on a peace treaty with Israel dependent on progress on the other fronts. And this was too much for Muhammad Ibrahim Kamal, who privately tendered his resignation to Sadat and informed us. He didn't want to embarrass the President so it was not announced until later.

We had one great advantage at Camp David on being totally isolated from the news media. We were up there on the top of the mountain. The press was down at the town in the valley. Once a day the press spokesmen of the three delegations would get together and agree on a statement about the meetings, and Jody Powell, the President's press secretary, on behalf of all the others, would go down and meet the press.

During the negotiations, by the way, the President had consulted Vice President Mondale, briefed him and got his comments on how the Camp David accords would come across politically. He wasn't doing very well in the polls at that point, and this was something he hoped would help him. I don't want to say the Camp David negotiations were undertaken for domestic political reasons, but he also hoped to get some political credit and mileage out of it. It was decided on September 17 that there would be a grand signing ceremony at the White House that evening, so there was a great flurry to put it all together. The main documents were prepared, and then all of the annexes with the letters on Jerusalem and other subjects, which all became part of the Camp David Accords, were put together, and the lawyers got them ready for signatures. The delegations all were loaded into helicopters, and off we went back to Washington and assembled in the White House that same evening, with the press and Sadat and Begin and Carter, and had a grand signing ceremony of the Camp David Accords, the basis for an eventual peace.

Then this would be followed by the President's meeting to report to Congress when, among other things, he stated there was an understanding with Israel that it would freeze settlements in the occupied territories for the duration of the negotiations. This was a very important point for Sadat. It was important for him to be able to say to the Palestinians and to the other Arabs, "I have gotten this commitment from Israel to stop taking Arab lands for Israeli settlements."

Q: At this point, had Egypt been thrown out of the Arab League?

ATHERTON: No. That came later. What the first Camp David Accord provided was that, to negotiate the bilateral treaty between Egypt and Israel, both countries would immediately send delegations to negotiations which would be held in Washington, and which were to be completed within ninety days, starting in early October, so that they would be finished in early 1979. The other Camp David document was simply a recommendation to the other Arabs as a framework for their negotiations with Israel. It included provisions about how the Palestinians would become part of the process with many ambiguities. To get agreement, there would need to be further negotiations with Israel. And this was where the Egyptian delegation felt Sadat had made too many concessions.

The best account, by the way, of Camp David, by far, is the book by William Quandt. It's the most complete, authoritative, and readable documentary account of Camp David -- the background, and the day by day negotiations. According to Quandt, probably the person who gave up the least at Camp David was Menachem Begin. Sadat gave up linkage between bilateral peace with Israel and an overall Arab-Israeli settlement. President Carter had to settle for less than the comprehensive peace he had set as his goal, and he had to persuade Sadat to make certain sacrifices. The reason Quandt gives for this asymmetry is that, of the three principals at Camp David, the one that had the least to lose by a failure was Begin. Begin could have gone back and said, "I stood up to the United States and preserved our rights to our claims, to our security and to our land." Whereas Sadat had stated that he had gone to war to make peace, the war was going to be the last one, and failure at Camp David would have meant failure of his strategy. And Carter, of course, had taken considerable risk should Camp David fail. As it turned out he got a lot of credit domestically. The Egyptians got a favorable basis for a settlement of their problems with Israel, including withdrawal from all of the Sinai. The Egyptians argued they had laid the basis also for the other Arabs to make peace in turn, but they were rejected.

Anyway, to return to the very important issue of Israeli settlements. Carter said Begin's agreement to freeze settlements meant for the five year period for negotiating an agreement on the final status of the West Bank and Gaza. Begin said he had agreed there would be a freeze on settlements for the ninety days, within which Egyptian-Israeli treaty negotiations were to be completed.

The participants in the late night meeting at Camp David had different recollections of what was agreed. The U.S. side introduced a draft to record the agreement, but Begin never signed it.

About the time that Carter was announcing this agreement, Begin had gone to New York and was saying that he had only agreed to a short-term freeze. So there was already a difference on the table, and it was too late, really, to try to resolve it. The Camp David Accords had been signed, the President had reported to Congress and the nation. There was obviously a difference hanging out there, that at some point was going to have to either be dealt with, or simply forgotten. But in the euphoria of the moment it was pushed aside. It was not confronted head-on at that stage.

The net result was a political success for the President, lots of very positive comments in the media about the President's role in pursuit of peace in the Middle East. Begin went back to persuade his parliament that they should ratify the agreement. Sadat didn't have that kind of a problem, but he went back to sell it to his constituencies, and also, obviously, to try to persuade the other Arabs that they should accept it.

One of the problems in terms of the other Arabs was that it was all negotiated in such secrecy and without consultations with the other Arabs that it had left a bad taste in the mouths of, particularly of King Hussein or Jordan, because the agreement basically included commitments or at least proposals that it was assumed would be acceptable to King Hussein and to the Palestinians and to the other Arabs as a basis for negotiation with Israel on what they hadn't been consulted.

We, I think rather naively in retrospect, made the assumption that Sadat would take care of the other Arabs and we didn't do much in that respect. There were several untidy loose ends on issues that were important to the Arabs -- Jerusalem, Israeli settlements. It was agreed that something had to be done to sell this agreement in the Arab world and in Jordan and among Palestinians in particular.

It was decided that the Secretary of State should make another trip out to the Middle East and touch base in the various Arab capitals, brief them on Camp David, tell them why we thought it was an opportunity for them, that they should at least reserve judgment on it and not be quick to criticize

This was not an easy task, though, because there were lots of suspicions that Sadat had been dealing with Israel behind their backs, with the Americans and Israelis. But Secretary Vance did, I think, a yeoman job. He had, fortunately, great credibility as an individual, and therefore we thought the Arabs would at least listen and give him the benefit of the doubt. He had difficult

talks with the Jordanians especially.

There was no briefing in Damascus. The Syrians, as I recall, said they wanted nothing to do with this sell-out. After all, they had fought the '73 War with Sadat and it had laid the groundwork, and they suddenly felt that they had been totally discounted. The fact was that they had taken themselves out. They hadn't agreed to take part in the Geneva conference. They had been invited to the Cairo conference by Sadat and had not gone. So you can say that they had no one to blame but themselves.

Sadat did not try to delay the beginning of the Egyptian-Israeli negotiations. The delegations finally convened in Washington in October and began what were to be the negotiations leading up to the Egypt-Israeli peace treaty. The Blair House was made available for the negotiators. The parties both were staying, by the way, at the Madison Hotel. Both the Israeli and Egyptian delegations were on adjoining floors, which was convenient because there could be a lot of informal visiting back and forth by going up and down one flight on the elevator or the back stairs, and the press wouldn't know who was talking to whom, so it was a rather convenient arrangement.

But the formal talks were held at the Blair House when the negotiations opened. Very soon the habit developed of both of the parties having informal meetings in each other's suites at the hotel. And many of the talks that we conducted took place at the hotel -- to the point where the head of the Egyptian delegation, who by that time was a new Egyptian foreign minister, Muhammed Ibrahim Kamal, having resigned. The new foreign minister was a retired general named Kamal Hassan Ali, who had quite an illustrious military record and had also been head of Egyptian general intelligence. In him the Egyptian government had a very loyal soldier, but also a very intelligent man who had very good political savvy. He was the head of the Egyptian delegation. The deputy head was the Egyptian minister of state for foreign affairs, Boutros Boutros-Ghali, assisted by a very good professional delegation of advisors from the Foreign Ministry. The Israeli delegation was headed by Moshe Dayan, also assisted by a very able group of supporters from the Foreign Ministry. On our delegation, Cy Vance was the head of it and I was his deputy, with the backstopping of the State Department and NSC staff plus military advisors. We were in Washington, so our whole backstopping was right there.

Vance opened the session, but I chaired a lot of the meetings. We had a lot of small, less formal meetings. And more and more the meetings took place informally at the Madison Hotel. It reached the point where Kamal Hassan Ali, the head of the Egyptian delegation, gave the Madison Hotel the name "Camp Madison." He said, "First the round took place at Camp David and now we're meeting at Camp Madison." And that name stuck, and everybody was soon talking about Camp Madison.

The negotiations were to be concluded in ninety days for the Egyptian-Israeli peace treaty. Well, it turned out that would not be possible. There were just too many issues. The issue of linkage came up again. The Egyptians wanted to reestablish the linkage between implementation of their treaty with the Israelis on the one hand and progress in the negotiations for a Palestinian settlement on the other.

Incidentally, I remember now the names of the documents negotiated at Camp David. One was "A Framework for Peace Between Egypt and Israel." That was the guidelines for the negotiations in Washington. The other was "A Framework for Peace in the Middle East." Comprehensive peace. That was the framework rejected by the Jordanians and Palestinians, for whom it was primarily intended.

I won't try to go through all the negotiations, it would take much too long, and the linkage issue was an important one -- linkage between the bilateral treaty and the comprehensive negotiations which we hoped would take place, although we had no commitments from the Jordanians or anybody else.

On the bilateral treaty there was also what became known as the precedence of obligations question, which was a very technical legal question, but it was also very important to the Israelis. How do you formulate Egypt's obligation to make peace with Israel in ways that will override any obligation that Egypt might have with the other Arab states? The Israelis were saying that this treaty takes precedence over all other commitments and agreements, and the Egyptians saying that we have Arab League treaties with the other Arabs, to come to their defense in case they are attacked.

Well, that was resolved. The Israelis consulted an eminent American lawyer, Eugene Rostow, who then was a professor at the law school at Yale. The Egyptians consulted their own people. The person who finally came up with the formula that resolved this, and it became Article VI of the treaty, was Herbert Hansell, who was the legal advisor to Secretary Vance and had joined the delegation as legal advisor. He came up with the ingenious formula that, in effect, squared the circle, in lawyers' language, and was accepted by each party, with their interpretations. And the interpretations were recorded in footnotes to the treaty. It was, again, a case of having each side agree to an ambiguous formula, but it was the only way of getting an agreement.

Another issue was Israel's concern that once it began withdrawing, because in the end it would withdraw from all of Sinai, Egypt would renege on its commitments. So Israel wanted time to put the security arrangements in place and test them before leaving all of the Sinai. What they were giving up even before that were oil fields that they had taken over in the occupation in the Gulf of Suez and in the Sinai itself, plus new oil fields, which they had explored and developed during the occupation period, 1967 through 1973.

Q: No small sacrifice.

ATHERTON: It was a big sacrifice. This was Israel's principal source of oil. The other source was Iran. The Shah had been providing them oil. But just remember, this was 1979, and in late '78 and early '79 the question was how long the Shah would be in power. The Shah's regime was beginning to look very fragile, and they were concerned that if there was another kind of regime in Iran they might no longer be able to buy Iranian oil. Israel had developed very good relations with Iran -- not diplomatic, but they had a diplomatic non-mission in Tehran and a very good intelligence cooperation. And they felt quite confident as long as the Shah was strong and in place, but they had begun to get worried about the Shah's staying power and wanted one source of oil that they could feel confident of. They wanted an Egyptian commitment to continuing oil

supplies from the fields they were giving up. They also wanted the company which had done the exploring and developing for them, an American company under contract to the Israelis, to be allowed to continue under the Egyptians. This had nothing to do with the company... oil in their territory under Israeli occupation...

It was a Texas company, by the way, and it became the focus of one of the charges or at least one of the allegations against Congressman Jim Wright. The committee investigating Wright was asking whether or not he had improperly used his influence on behalf of this Texas company. He did in fact intervene, but I felt it was proper. He was doing what any congressman would do -- asking that his constituents get a chance to present their case.

In any case, the Egyptians did not agree that the American company could stay when Israel withdrew. Israel also wanted a commitment from Egypt that Egypt would continue to provide them oil, so they would have, in effect, the first claim on purchasing oil. They realized they had to buy it, but they wanted a guaranteed delivery of a certain number of barrels per day. And that was a tough one to get the Egyptians to agree to. Egypt had never entered long-term commitments in advance that oil would be available under any circumstances to anyone. The Egyptians said in effect: "We're not a member of OPEC, we don't have long-term contracts. We look at the market prices every quarter and export to the highest bidders. Israel can bid like anyone else." So the Israelis came to us and said they needed a side agreement with the United States -- a contingency agreement that we would supply them oil if other suppliers failed. So we had to have a bilateral negotiation with the Israelis on this.

There was also the question raised by Moshe Dayan. We had made the assumption all along that, as the Israelis withdrew from the eastern zones of Sinai, there would be a limited armament zone and then there would be a demilitarized zone, and Egypt had agreed with this, and that the authority who would police these zones would be the United Nations, that the U.N. would be the one to provide peacekeeping forces in these zones to ensure that both sides were abiding by the military limitations in Sinai.

Moshe Dayan said one day, "What if the U.N. doesn't want to do this? What if the Soviets decide that they won't support this and they veto. Then we have no assurance that there will be anybody that we can rely on, to whom we can entrust our security, to keep the Egyptians from violating this agreement to demilitarize in Sinai." He said, "I think we have to have a fallback position..., and I suggest that be the United States."

Obviously, in the end, that's what we did, because we were too far into this treaty not to do what we had to do to make it work. So one article in the treaty provided that in the event the U.N. couldn't do it, the United States would undertake to put together the proper force and monitor the commitments of both sides to keep the peace in the Sinai.

These were the kinds of issues that came up. The linkage issue continued to be around. The ninety days were up, and the treaty had not been completed. It was agreed that there would be an adjournment for the parties to consult in capitals. We all decided to take stock where we were and where we had been, and what issues remained. I won't try to recount them all, because some of them, in retrospect, were really pretty technical and pretty small, but they loomed very large at

the time in the minds of both sides.

An attempt was made to resolve them at the foreign minister level or equivalent. This was done by Secretary Vance, who invited Egyptian and Israeli delegations to come to Washington, and President Carter said he would make Camp David available. So we had a second conference at Camp David, without the President. It was Secretary Vance, an Egyptian delegation, headed by a new Egyptian prime minister, Mustafa Khalil, whom Sadat had appointed to oversee the other Egyptian delegates..., and by Dayan on the Israeli side.

It had been our hope that Begin would have come, as prime minister of Israel, since the prime minister of Egypt was there, to deal at a more authoritative level. But, in practice, Begin said he only dealt with Sadat and he would not deal with his Egyptian counterpart, because he was really the power in the Israeli system and the president was only ceremonial, and he, Begin, was the real decision maker, whereas Sadat was the decision maker in Egypt. The point was well taken.

The problem at this Camp David, which came to be called Camp David II, was that Mustafa Khalil did have a very broad delegation of authority from Sadat, whereas Dayan was on a very short leash from Begin. So there was no parity, and it turned out, again, that it was impossible to resolve the issues.

The next thing that was tried was for the Secretary and the President to send a delegation consisting of the State Department legal advisor, Herbert Hansell, and myself to the area, to shuttle between Jerusalem and Cairo and try to resolve some of the so-called technical issues.

By now we were early in 1979, and I remember it was cold in Jerusalem, Hansell and I did all we could. We had some meetings with both sides. We had various drafts that we took with us as the basis for language that would become articles of the treaty, because what we were trying to do was just negotiate solutions to articles in the treaty that had not been agreed on in Washington. It was a potpourri of unresolved issues, and our job was to try to find the solutions, or at least solve as many as we could.

Part of this process was, in effect, to negotiate side agreements with the Israelis and Egyptians, sort of bilateral memoranda of understanding, which would be interpretations of articles in the treaty which would satisfy the two parties. And we found that we were getting into a situation where one memorandum of understanding canceled out the agreement with the other side. In order to satisfy the Israeli government, their desire for a particular interpretation, we would come up with formulations which we showed the Egyptians, and they would want a bilateral understanding that would contradict the one we had just agreed on with the Israelis. And in the end this whole process came to naught. The whole idea of having these side memoranda was dropped. And Hansell and I came back to Washington, essentially having achieved no progress.

Q: How was the use of the Suez Canal by the Israelis handled?

ATHERTON: You know, interestingly enough, I don't recall that that was a major issue. The Egyptians had agreed from the beginning that once peace was in place, the canal would be open to Israeli shipping. It was a question of when that would start, the timing of Israeli access. But

there was never any question that the Israelis would be given access.

There were lots of other issues. There was the question of timing of the exchange of ambassadors, opening diplomatic missions, bilateral agreements to implement some of the general provisions. The treaty had a general provision on normal peaceful relations between Egypt and Israel. The Israelis wanted explicit agreements on when observance of the Arab boycott by Egypt would be dropped, when the borders would reopen and when trade relations would be reestablished, banks would have offices in each other's territory, when there would be cultural exchanges, professors, students. They wanted all sorts of flesh on the bones of normal peaceful relations. And the Egyptians were trying to resist making commitments in such detail.

Q: You just put one blanket over all of it -- sort of normal relations.

ATHERTON: Egypt just wanted a general commitment, but the Israelis believed that there had to be specifics. This was solved by annexes to the treaty saying that there would be subsequent negotiations on implementing in detail the principles of normalization.

Anyway, there ended up, still, a few unresolved issues. And by now we were getting into the spring of 1979 and some concern that the whole thing might begin to unravel.

I should add, parenthetically, that while this was going on, there were other things going on in the world.

Q: Hardly seems possible.

ATHERTON: Well, Valentine's Day, 1979, was the first takeover of the American Embassy in Tehran. And, I think the same day, Spike Dubs, our ambassador in Afghanistan, was taken hostage and killed, while the embassy siege in Tehran was ended.

Q: And they were all NEA.

ATHERTON: They were all major and all had to do with NEA. I was, of course, no longer there, it was Hal Saunders' problem -- my successor as Assistant Secretary.

One effort that was made was to have Secretary Vance convene the Egyptians and Israelis at Camp David, at what came to be known as Camp David II. I think I have already gone over that in the previous discussion, so I don't want to cover the same ground again except to note that that had not worked either. It had been impossible, at the level of secretaries and foreign ministers and, in the case of the Egyptians, the new prime minister, Mustafa Khalil, to resolve the issues. And it was finally decided that the only way, the last chance, really, the last hope was for the President himself to talk to Begin and to Sadat. Which meant a very big gamble, obviously, because the President would have put his neck on the line, in effect, to make a trip to the area. If this didn't succeed, then it would be very difficult to see what was left. This was the final court of appeal, if you will.

The trip finally took place in early March of 1979, and it involved very intensive discussions

between President Carter and Prime Minister Begin and his cabinet in Israel, and in Egypt largely only with President Sadat, because he did not have a collegial government as the Israeli government was.

The issues that were the most difficult to resolve at this point had to do first of all with Israel's concern about Egypt's giving precedence to the treaty over its defense commitments to the other Arabs.

Israel wanted language in the treaty that would say, in effect, that the commitments under this treaty take precedence over any other obligations of the parties. Egypt was a member of the Arab League Defense Pact and also had bilateral defense agreements with a number of Arab countries. What that meant basically was that if there were another war between Israel and any of the other Arab countries, what the Israelis wanted was an Egyptian commitment that they would stand aside, they would not take part.

Egypt said it would not take part in an aggressive war, but if the war were an Israeli attack on another Arab, or if it were seen that Israel had provoked it, and they called on Egypt to come to their defense, then Sadat wanted to preserve the right to abide by his treaties to help defend his Arab allies.

This was Article VI of the Egyptian-Israeli peace treaty, and that became one of the most difficult issues that held up the treaty right down to the wire.

Another issue was Israel's desire, once it gave up the oil fields that it had occupied in Sinai and developed in Suez, a desire to have a firm commitment from Egypt for the delivery of so many barrels of oil from the fields, a firm commitment that Egypt would provide or sell at the market price, that it would commit itself to sell in the volume of oil to Israel that Israel was getting out of those oil fields when it was in occupation of the oil fields.

There was also a desire on the part of Sadat to have somewhat earlier withdrawal of Israel to the first line of withdrawal in Sinai, to foreshorten the timetable of the first stage of Israeli withdrawal.

On their part, the Israelis wanted to renegotiate the understanding about the timing of the exchange of ambassadors. They wanted to get an Egyptian ambassador in Israel and an Israeli ambassador in Egypt sooner than had been agreed in the original draft.

So these were the kind of issues that had to be dealt with. But the principal ones, as I recall, were this so-called Article VI problem of the precedence of obligation and, secondly, the question of oil, of a commitment of oil to the Israelis. There were other issues, but those stand out, in my mind at least, as the ones that were the most difficult.

And Carter's negotiations with Begin and his cabinet were extraordinarily difficult and went on and on and on. The cabinet met all night, and they gathered again the next morning, and it looked as though the impasse was not going to be broken, that Carter was not going to get enough from Begin that he could go to Sadat and say: Now, this is reasonable, and I hope you will accept

these compromises so we can get on with the peace treaty.

Carter was just about, in fact, to leave, and was planning to try to put the best face on his leaving, by statements that would say that perhaps after a couple of weeks the Secretary and the foreign ministers could try again, when the Israeli foreign minister, Moshe Dayan, took Secretary Vance aside and said to him that he was very concerned that all these efforts were going to come to naught. He had been the negotiator at Camp David. He had been the negotiator in Washington. He was quite committed to the objective of peace with Israel and felt that Israel was missing a chance, and so he said, "Let me try one more time." And he had another go around with another proposal on these issues that he tried out on Begin. And he did, in the end succeed, in moving Mr. Begin just enough to give something that Carter could take to Sadat and say: This is a concession to you.

One will have to read the record of this, preferably in Bill Quandt's book on Camp David, to get all the details of how it was resolved. But it was definitely Moshe Dayan who was the one who saved the day in the end by getting Begin to give a bit on the Israeli position.

Carter flew to Cairo. Sadat was waiting for him at the airport. They went in and had a private meeting and then came out on the tarmac at the airport. Carter announced that they had reached agreement and that the date had been set for the signing of the treaty in Washington later that month. That was a dramatic moment. For once, the hard-hearted press all cheered and several were seen to weep.

Q: Did you have the feeling that the Israeli position had been decided beforehand and they were just adamant, they weren't going to reach that final position without being pushed to the very end...?

ATHERTON: It wasn't that clear to me that they had their fallback all worked out. I think Begin thought he had given his fallbacks and they weren't enough. And it was Dayan who persuaded him that he had to go just a bit further. I really don't think this was all staged. My impression was that it really was genuinely a near-breakdown, and Dayan moved in to put it together. When all the diplomatic documents of the era, of that period, are finally published, maybe I'll be proven wrong and maybe you'll be right. But my impression at least was that this was a genuine crisis and a genuine impasse, and it took Dayan's ingenuity and persistence to find a way around it.

So that set the stage, and the parties descended on Washington. Begin and Sadat and their delegations all arrived in Washington for the signing. My recollection is that Sadat stayed at the Egyptian Embassy, and I'm not sure whether Begin stayed at the Israeli Embassy or at a hotel, I can't remember that.

In any case, there still were a couple of loose ends, I should point out. There was still not quite a final agreement on the question of Egyptian delivery of oil to Israel. The Egyptians said: "We can't give Israel priority here. We sell to the highest bidder." But they had come to a formula which was very close to acceptable. And the night before the signing of the peace treaty, Begin and Sadat had a private meeting and came to an understanding between them on the arrangements that were made on oil, which basically met the Egyptian point that they would not

earmark a quota of oil to sell to Israel, they would not say "We will earmark so much," but that they would give Israel a chance to bid whenever they put it up for their quarterly auctions. There was a kind of an understanding that Israel would be given most-favored-nation treatment.

Q: Go to the head of the line.

ATHERTON: Go to the head of the line, without calling it that. And, in fact, that's how it has worked ever since. Israel never did get the commitment of a quota, but it's been able to buy all the oil it wants from Egypt ever since, as far as I know. Of course, the fallback, and the reason why Begin could accept something less than what he wanted, was the commitment from the United States that, if all else failed, we would be the supplier of last resort. They have never had to call on that commitment, because other sources, including Egypt in particular, have been adequate.

Well, this was March, and the treaty was signed with great fanfare on the White House lawn. Everyone basked in the glory of the moment. And then the question was: How do we now go on to the next stage, because the treaty included a side understanding, if you will, between Egypt and Israel, and which the United States had helped negotiate and, in a way, was a party to, that the two parties would move quickly to begin negotiations on the other part of the Camp David Accords having to do in the first instance with autonomy for the West Bank and Gaza -- the Palestinian question.

Remember that the other Arabs had not accepted Camp David. The Palestinians had not accepted it, and Sadat had said that if Jordan and the Palestinians, who were invited also to accept this agreement, if they didn't accept it, then Sadat said he would, in effect, become the representative of the Jordanians and the Palestinians. Egypt would participate at least in the first stage of negotiations for implementation of that part of Camp David which called for an interim agreement on the status of the West Bank and Gaza as a basis for giving autonomy to the local Palestinian inhabitants, with a degree of self-government, which basically would replace the military government, while Israel remained there as a security force, and to create breathing space during which the ground would be laid to negotiate the final status. Camp David provided that there would be autonomy and that once an autonomy regime was in place, then within three years the Palestinian representatives, Jordanians and Egyptians, would begin negotiating a final settlement for the final status of these territories and that would be completed within five years.

So Sadat said: Well, I'll help get this process started. I will ask my foreign minister and a delegation from Egypt to be the surrogates, in a way, for the Jordanians and Palestinians, and we will sit down with the Israelis and begin negotiating the elements of autonomy which we can offer the Palestinians, and hopefully it will be attractive enough so they will accept it, and then they can become a party with the Jordanians to these negotiations.

So the problem was to begin getting organized for what became known as the autonomy talks, which dealt with the West Bank and Gaza but were carried out on the Arab side by Egypt in the absence of any Jordanian or Palestinian negotiators.

The question, of course, also was: Who was going to conduct these negotiations for the United

States? It was clear that the United States had to be a party to them, and everybody agreed that we would be at the table. They were Egyptian and Israeli negotiations, but the U.S. would be there as a friend of both sides and help bridge any gaps.

The President decided he would appoint his good friend and political supporter, Robert Strauss, as his representative to head the delegation to the autonomy talks. I can remember, when Strauss was asked by the President and agreed that he would do this, the time came to brief him. And one of the first meetings he had was with Hal Saunders and me to bring him up to date on the issues and what this was all about, because Strauss, while he had an interest in this, had not been involved in these negotiations and had most recently been involved in the negotiations on the trade issues as the President's Special Trade Representative.

I can remember his first question on the autonomy issue was: "Have I taken on Mission Impossible?"

And my response to him was: "Well, if not impossible, it's going to be very uphill."

And he looked a little bit reflective at that point as though thinking "Well, what have I gotten myself into?" But he had made a commitment and he was going to do it.

And so he began assembling his team, which consisted of, basically, backstoppers from the Bureau of Near East and South Asian Affairs, plus his own personal assistant whose responsibility was largely to manage his program. It was basically Strauss plus the State Department backup from Washington. And then both the embassy in Cairo and the embassy in Tel Aviv designated one or two officers to join the negotiations when they took place, so there would be representation from the field. The Egyptians named a delegation, the Israelis named a delegation.

The Israeli delegation typically was a compromise, because of political pressures to have all parties represented. So the solution was to name Yosef Burg, who was the head of the National Religious Party in Israel, a minority party but a swing party in the coalition, to be the head of the delegation. But it also included Ariel Sharon, who was something of a hawk on the question of not giving up any territory -- he very much represented Begin's point of view. And another minister representing the Liberal Party, I think, within the Israeli coalition government. Plus a lot of good, able professionals from the Israeli Foreign Ministry. Dayan was not a member, although he was the foreign minister. He, I think, took the position that he should be clearly the one in charge. He didn't want a delegation where he would have to be negotiating internally within his delegation as well as with the Egyptians. And so he, in effect, took himself out of it.

And the talks were all set. The Egyptians had their delegation staffed by very able career people from the Egyptian Foreign Ministry, headed by the foreign minister, as I recall, who was Kamal Hassan Ali -- or was it headed at this point by Prime Minister Khalil? The record will have to show, I'm a little fuzzy. All I remember was that the staffing was quite good on all three delegations, very well thought of professionals who had been involved in the process and knew all the issues and knew the history of the negotiations.

ATHERTON: I had by that time been told that the President was going to nominate me as the new ambassador to Cairo. Hermann Eilts, who had been there since the resumption of relations in 1974, was retiring to take an appointment as a professor at Boston University. And when I heard he was going to retire, on one of my trips out, I said, "I think I will go back and put my name in the hat for this job." And Hermann said he thought it was a splendid idea. So I did go to the Secretary and said, "I hear Hermann is going to retire. I have been back in Washington almost fourteen years now, and I really do want to get back overseas. I go overseas a lot on trips, but not postings. I would very much like to be a candidate for the new ambassador in Cairo." The Secretary took note, and in due course informed me that the President agreed and was going to make me ambassador to Cairo.

Once I got through the hearing and confirmation, which went very well and very easily, Betty and I headed for Cairo. Got there in late June, about three months after the peace treaty was signed.

Summer is the time in Egypt when President Sadat stayed in Alexandria, and the government functions out of Alexandria. Normally no credential presentation ceremonies take place over the summer. Ambassadors either don't arrive or they simply wait to present their credentials until Sadat comes back to Cairo. This presented something of a problem, because the autonomy negotiations were supposed to start almost immediately, around the first part of July, and I couldn't fully function if I wasn't fully accredited. So Sadat said he would make an exception and would receive my credentials, in Alexandria, at Ras al Jin palace which had been Muhammad Ali's and all the other kings', all the way down to Farouk, on the Alexandria harbor. But since there were several ambassadors who had been waiting longer than I, there had to be a series of presentations. So, in a way, the pressure of getting me accredited so I could be fully functioning when the autonomy talks began, moved several other ambassadors ahead in getting scheduled to present their credentials.

And it was a grand ceremony. I was the last in this particular group, and when it was all over, Sadat invited me to stay behind and have a few words. I was now fully accredited. And just in time, because Bob Strauss was due to arrive on, I think, the third of July. This was 1979, and Strauss, with his delegation, was due to arrive. There were two other American visitors before that.

While we were in Alexandria and in Cairo in those early days, the first visitor, as I recall, was George Bush, who was then starting to run in the Republican primaries against Ronald Reagan, and he was making what was considered the obligatory pilgrimage that all presidential candidates make, which in those days included Egypt and Sadat. So Bush came to Alexandria for a meeting with Sadat. And Betty and I were out at the Alexandria airport and greeted him.

We had known him pretty well, in earlier incarnations, when he had been at the U.N., and Betty had taught the Bushes' daughter at National Cathedral School, so she had had the Bushes as parents of one of her students and particularly had parent conferences with Mrs. Bush. We had a fairly easy relationship, and we had a nice chat while he was waiting to go off and pay his

respects to Sadat.

The other visitor who came and I greeted at the airport in Cairo was Henry Kissinger, who had been invited as a special guest in Egypt. I met him and took him to the hotel, and he told me what was on his mind and wanted to be briefed on Egypt. It also gave me a chance to talk to him about my concerns about Iran.

This was the time when the Carter administration was being pressed very hard to give asylum to the Shah of Iran, who by that time had been overthrown and was being sent around to Panama and various other places looking for a permanent home, and, although we didn't know it at the time, fatally ill with cancer. He needed treatment. I guess it was known by that time; it had not been known before that. And Carter was hesitating, because this would complicate our relations with the new revolutionary government in Iran.

And I had an additional concern, and I found out later that others had made the same point. I said if the Shah is admitted to the States, I'm afraid that we ought to evacuate all of our people from Tehran first, because I'm afraid that there will be those who will see them as potential hostages, used as a bargaining lever to press us to turn the Shah over to revolutionary justice. What they wanted most was to get the Shah back in Iran where they could try him for crimes against the people of Iran.

I had made the same point to David Rockefeller earlier, when I met with him before leaving the States. I had a consultation with him because he was then chairman of the board of the Chase Bank, and Chase Bank was very big in Egypt. He was a strong supporter of the Shah. Chase Bank had the Shah's account among other things.

Both David Rockefeller and Henry Kissinger said they thought it was unconscionable of the Carter administration not to show more gratitude towards this man who had been our friend for so long and let him into the States and give him asylum. And that was when I said that there was another side to it, that there was the risk our people would become hostages in Iran. Anyway, that was one of the issues in my discussion that I remember with Henry Kissinger.

Back to the main story, however. Bob Strauss and the delegation arrived in Alexandria to begin the negotiations, the second or third of July.

It was just before the Fourth of July, I remember, because we were having to organize a Fourth of July reception at the embassy in Cairo, at the residence, which we had hardly begun to move into. In fact, we hadn't had a chance to hang pictures or do anything. It had been refurnished for us, but we added a lot of personal touches. And then there was a great big American community Fourth of July affair for the Americans in Cairo at the Cairo American College -- a school for the American and international community. We had to be present for that, so there was a lot of pressure to get organized in time to do the right things on the Fourth of July.

But I had to be in Alexandria for the beginning of the autonomy talks. And that also had its complications. The Egyptians were hosting this first round of talks, and then the next time they would be held in Israel.

The reason they were in Alexandria, by the way, was because the Egyptians insisted that they would not conduct these talks in Jerusalem, which Israel said was its capital. And therefore the Egyptians said: Well, in that case, we can't have the talks in our capital, which is Cairo. So they agreed that they would have the talks in Alexandria and then in one of the suburbs of Tel Aviv. That was one of the first problems.

The second problem was that the Egyptians just assumed that they would put all of the delegations up at what was considered at that time the newest and best, certainly the hotel with the best facilities in Alexandria, which was called the Palestine Hotel. It was built during the days of the Nasser regime. It was where, in fact, an Arab summit was held in 1964 at which the PLO was admitted to the Arab League. And I think it was named Palestine Hotel in honor of that occasion. The Israelis were horrified at the thought that they should be meeting in a hotel called the Palestine Hotel, and they said that public opinion would not understand having these talks in the Palestine Hotel. So the Egyptians, as good hosts, immediately said: Well, the next best hotel is the San Stephano down on the corniche, but it's very old, and one of the problems is that it doesn't have any air conditioning, and this is July. And lo and behold the Egyptians arranged to get air conditioners in every room that was going to be used by the delegations and in the conference rooms. They did it all on very short notice, and this old hotel suddenly came to life. And that's where the talks, in fact, actually took place.

There was one other difficulty. The hotel had a discotheque, and the first night the band kept Bob Strauss awake with its playing, and so we had to get the band shut off at bedtime.

But the talks finally got underway and with great formalities at the beginning. And that was the beginning of the attempts by Israel and Egypt to negotiate the basis for Palestinian-Jordanian entry into the negotiating process.

There are a couple of things that perhaps are worth noting about arriving on the scene in Egypt, during this period. It was not the Egypt of the earlier period. There were certain things that would not have been normal in earlier periods.

First of all, the Soviet Union, while it still was represented there, was under Sadat in the background. The Soviet ambassador, who used to always have direct access to everybody, had access to almost nobody. This was really an American show, and the Soviets were on the sidelines in Egypt.

There were almost no Arab embassies, because all the Arabs, except for Oman and Sudan, as I recall, had broken diplomatic relations with Egypt when Egypt signed the peace treaty with Israel. Now a few of them kept small interest sections open; others closed up entirely. So there was no Arab diplomatic corps in a capital that had originally more Arab diplomatic missions than any other capital in the world.

And there was no Arab League headquarters. The Arab League which had had its headquarters in Cairo from its beginnings, in '47 or so, right after the Second World War and at the beginning of the independence in many Arab states, had been pulled out of Cairo because of Egypt's peace

treaty with Israel and had been moved to Tunis.

So there was no Arab diplomatic corps, except for two or three small embassies, no Arab League, very little Soviet or Eastern bloc presence, and a very large, almost dominant American presence. Large in numbers and also large in the role we were playing in Egypt in those days, and very large in terms of our commitment of resources in Egypt.

We had a very large AID program, which continued to grow both in money and in the number of personnel in the agency to administer it. We had an Office of Military Cooperation, to administer the military supply program that began in Egypt under Sadat and by now was becoming quite large.

There were issues, which I will mention in a minute, with respect to these programs and in U.S.-Egyptian relations, but for the most part, this was the honeymoon period. The Egyptians were euphoric that peace had arrived. Sadat and Begin were trying to get along and to make the peace treaty work. There were Israeli delegations in and out of town all the time. I saw more of my Israeli friends in Cairo than I had seen for years.

Most of these were government delegations, very few private visitors. Most of them were coming because they were there to negotiate with Egypt various implementing agreements to carry out some of the provisions of the peace treaty.

The peace treaty did not work out all the details of trade relations and banking relations and travel arrangements and cultural exchanges and all sorts of things which were very important to the Israelis, to put flesh on the bones of the peace treaty, to put flesh on that language about normal peaceful relations. So it was agreed in the treaty negotiations and in one of the annexes, I think, that after the treaty was signed and had gone into effect, there would be a number of implementing agreements negotiated and signed in cultural affairs, trade affairs, et cetera, et cetera.

And so these Israeli delegations were coming to deal with their Egyptian counterparts on these implementing agreements, which the Egyptians were not as inclined to move rapidly on as the Israelis were. While Sadat had said at the top, we have a commitment and we are preceding to do these things, there was a great deal of resistance along the line in the bureaucracy, particularly among the people in the Foreign Ministry, but others as well, who felt very strongly that they did not want to make it look as though they had made a separate peace treaty and that Sadat had forgotten all about the Palestinians. And therefore they didn't want to have too warm a relationship or too normal a relationship unless other Arabs were to join in the process with Begin and Sadat. They could then say that we haven't deserted the rest of the Arab world.

And it partly was self-protection, too. A lot of the Egyptians involved in this were concerned about their personal positions in relation to the other Arab countries. It wasn't just government people, there were professors who were not anxious to enter academic exchange programs with Israel.

I will give you an example of the kind of complications this caused for many private Egyptians

and government Egyptians because Israel was still at war with the other Arabs. Many academics in Egypt, who were notoriously low-paid, used to go and lecture during sabbatical years or during the period when their universities were on holiday, at universities in the Gulf countries. They would go and lecture in Kuwait or in the Emirates or in Saudi Arabia, and quite frankly said they made more money lecturing for a month there than they made all year as professors at Cairo University. So this was very important, and if they were to be seen to be cooperating with the Israelis, they would end up on the Arab blacklist and would no longer be welcome in these countries. So there was a personal incentive, a financial incentive for a lot of Egyptians not to become too involved in the normalization of relations with Israelis -- something the Israelis, of course, didn't have to worry about, and the Israelis were very anxious to press these agreements. Still, there was a lot of coming and going.

Begin had promised to send a friend of his to Egypt who was a big entrepreneur, with access to development capital, to help Egypt develop some of its agricultural resources. He offered, in effect, Israeli agricultural technical assistance, which Sadat had accepted and then told his government to meet with the Israelis and work out the details. There were a number of meetings of that kind.

I might add, by the way, that the one area of cooperation which really did get underway then, and very quietly, not with a lot of publicity in Egypt, was in the area of agricultural technology, because the Israelis did have something to offer based on their experience in desert agriculture and in irrigation. They had an agreement with the Egyptian minister of agriculture. The minister of agriculture, by the way, was one of the few senior Egyptians who really saw advantages in accepting Israeli offers of this kind. And so an agricultural technical team of Israelis was in Egypt continuously, as far as I know, all the time I was there. You never saw them, they worked in the delta. They kept a very low profile, worked closely with their Egyptian colleagues, and had very good relations with the Ministry of Agriculture. They even survived the general freeze that set in after the Israeli invasion of Lebanon, by the way. That particular activity was protected and continued, because it was something the Egyptian minister of agriculture and others felt was of benefit to Egypt. There were some little chinks in this wall, that began to provide the Egyptians and the Israelis more normal relations.

There were other things that arose later on, but at the moment the overwhelming attitude was one of relief that the wars with Israel were behind, that there would be now a great American economic assistance program. The army was going to get good modern American equipment, happy to replace its aging Soviet equipment.

Sadat had a vision of strategic change in three areas. First of all, he would make peace with Israel and normalize the international situation in the area, which required shifting from close relations with the Soviets to the United States. Secondly, he was going to build democracy in place of the dictatorship of the Nasser period. And thirdly, he was going to liberalize the economy, to let the private sector flourish alongside the very large government sector which owned all major industries and dominated the economy.

So there were lots of things on the docket and lots of optimism that a new era was dawning. But there were little shadows on the horizon. One of them was the differences over the administration

of U.S. aid to Egypt, which was very large and growing really faster than the Egyptians could absorb the monies that were being appropriated. The level of appropriations was determined more by political than economic considerations. I would give great credit to Donald Brown, who was the career AID officer who was head of the AID mission and put together a good group of people and conceptually a very ambitious program to try to use our aid not only for its political impact, but also to fund an economic development program, to get at some of the fundamental infrastructural deficiencies. The Egyptian infrastructure had been neglected pretty much in the later Nasser years; all the resources had gone into getting ready for another war, so that everything from electricity generation to transportation to roads, communications, water treatment, sewage, all these areas had to be tackled. And AID began to develop, with the Egyptians, projects in many of these areas. Some would say it tried to do too much too fast, it got too extended. And the program in general began to be criticized by various people on the Egyptian side, who charged that the Americans were trying to take over, were imposing their ideas on Egypt. Others were happy to have the Americans there, but they often wanted more money for their pet projects at the expense of others. The Egyptian government had a planning ministry, but it had very great difficulty in sorting out its priorities. It really wanted to do everything, and it tried to satisfy all the ministries by putting everybody's projects on the agenda and without much attempt to prioritize... So there was a constant debate over how to order the priorities in an aid program of this size. And speaking of this size, we're talking about an aid program approaching eight hundred million to a billion dollars a year.

Q: As ambassador, how did you manage to control all this?

ATHERTON: Well, it wasn't easy. In fact, I'm not sure I ever did totally control it. I had, on paper, the authority, because all elements of the mission were under the direction of the ambassador, including the AID mission and USIS and the military supply mission. I was to be kept informed of all that they were doing and give them policy guidance, and any major decisions were to be referred to me.

And, in fact, they all, I think, in their own ways tried to be cooperative. The problem was structural. The AID mission was separate physically and it had its own internal procedures and lines of authority and procedures for preparing feasibility studies and getting them approved and dealing with Washington. And it tended to take on a life of its own.

The biggest problem I had, I suppose, was the relationship between the embassy economic section and the AID mission. We had an economic counselor and an economic section whose job was to analyze and report on the Egyptian economy, to prepare both macroeconomic and microeconomic analyses, to be in a position to help advise American business, to encourage it to take an interest in looking at Egypt as a possible place to do business and to invest, to take advantage of Sadat's open-door economic policy.

But I never succeeded in totally overcoming the bureaucratic rivalries between the economic counselor and his economic staff in the embassy on the one hand, and the AID mission's economic analysis unit on the other. And they were frequently doing many of the same things. You would often find that the head of the economic analysis unit in the AID mission had made an appointment with somebody in the Ministry of Finance and would meet the economic

counselor coming out the door, having been there for the same purpose.

I think we did finally overcome that to some extent by establishing a kind of clearinghouse arrangement and persuading AID to invite the economic counselor to sit in on its staff meetings, just as the AID people sat in on mine. It finally came down to personalities, having the right people willing to work together. But it was more individuals making a bureaucratic system work than the system working on its own.

It was difficult with that large an AID mission. The whole embassy staff, as I recall, finally began to level off, counting all direct-hire personnel, at somewhere around 400 or more. It was one of the biggest embassies in the world, measured in terms of direct-hire staff.

The overwhelming number, the single largest component was AID, which was 125, 130 or something like that. The military mission also grew as the size of the military program grew. That also grew eventually to be a billion-dollar-a-year program. Given all this, the administrative support side of the embassy had to be tremendous.

We had 12 general service officers, partly because you could not get many services done on the Egyptian economy. The level of skill for such simple things as electricians, plumbers, carpenters, for a mission this size, was just not high enough. For one thing, all of the really skilled Egyptians had been siphoned off to work for good money in the Gulf countries. So it wasn't just our problem, the Egyptians had the same problem and complained about not being able to get their automobiles repaired, et cetera, et cetera. So we had a motor pool with our own mechanics. We had a general service unit with our own carpenters, our own plumbers, our own electricians. And you had to have people to oversee them.

We ran all the housing, some government-owned and some leased. There was nobody out on the private market trying to find their own housing, so we ran this enormous housing program for that large official American community.

And that was another story in itself, how you try to be equitable in the assignment of housing between different elements of the missions, with AID people feeling that State people got preference and State people feeling that AID people got preference.

And the military had their own internal rank order problems. There were three service attachés: a defense attaché, who was also, when I got there, the air attaché, but had been traditionally the Naval attaché. This came about before my time, under Hermann Eilts. Henry Kissinger had an Air Force general officer who had been working closely with him, and he wanted the defense attaché position shifted from naval attaché to air attaché to accommodate this officer. When I got to Cairo, the defense attaché had the rank of colonel. The head of the military supply mission was a general officer. The defense attaché was traditionally the senior military officer on the ambassador's staff, but the Secretary of Defense looked to the ranking officer, who happened to be the head of the Office of Military Cooperation and a general officer, as the defense representative in Egypt. And that led to endless frictions within the military components of the embassy.

So an ambassador had to spend a lot of time dealing with these kinds of problems. And I did spend an enormous amount of my time on them, as did my DCM, Freeman Matthews, who had been the DCM when I got there. He was Hermann Eilts' DCM and he stayed on for the transition period. It took an enormous amount of his time and my time to deal with these management issues and oversight of the AID program, oversight of the military program, being sure that decisions weren't made which had policy implications that we were not aware of, not on purpose but inadvertently. When you get this kind of a program going, it takes on a life of its own, with individual senior members of the AID mission dealing with their counterparts in the Ministry directly, and soon the line becomes blurred between operations and policy.

One of the problems we had was AID people making trips to Alexandria, because we had projects in Alexandria. We had a consul general in Alexandria, and there was a standing instruction that no one would go to Alexandria and have appointments with government people there, in the Alexandria consular district, without clearing it through the consul general and making sure the consul general knew they were coming and what they were doing and given the opportunity to take part. Well, that was violated repeatedly, until we got a consul general who really put her foot down. It was Frances Cook, who became consul general later in my tour. And she was the first one to establish that this was not just pro forma, this was serious, that we had to have coordination within the mission and the consul general was part of the mission.

It was just a very large and difficult-to-manage conglomeration of agencies and individuals, all very dedicated, all doing important things, and all with lots of program money. On top of that, we had a large American private community: business community, AID contractor community, educational community, big press corps in those days, all of which needed a certain amount of attention.

I should add, by the way, one of Betty's and my prouder legacies in Cairo, and really Betty gets the credit for this, was recognizing that this American community, which had mushroomed tremendously, was without any internal integrated support system. And a lot of people would come out, not so much in the embassy as in private business community or in the American School, which had a very large faculty who had difficulty adjusting to life in Egypt. The school was called the Cairo American College, covering from kindergarten to twelfth grade, with about 1200 students. About half the students were Americans and the other half all other nationalities, including some Egyptians with special permission. But this large American expatriate community didn't have the kind of support system we take for granted in the States. There were no mental health counselors, no counselors to deal with drug problems or teenage problems, orientation in the school, a whole range of things. And the result was that there were community problems, including families that couldn't adjust and had to be shipped back home. There were problems with some of the teenagers experimenting with the more potent versions of hashish and marijuana that grew there. In the early days we didn't have a hard drug problem, though that came later. But we did have alcohol problems, and we had hashish and marijuana problems. And we had just general discipline problems. And, you know, a big American community in a Third World country, usually living in a fairly concentrated neighborhood, creates community relations problems. We were worried about our image, about the large American presence becoming itself a liability in terms of U.S.-Egyptian relations. We needed the personal level and at the popular level the equivalent of what was a very good relationship at the official level, a very cooperative

relationship. So Betty had the idea that we ought to try to establish some kind of a community support network. Originally the concept was basically to deal with mental health problems, and the embassy, with Betty's prodding, was able to persuade the medical division in the State Department to give some seed money out of the mental health program to help get such a program started in Cairo. The seed money was used to bring a couple, whom we had heard about who were doing counseling in Kuala Lumpur, to Cairo to be interviewed by members of the American community, to see if they would be willing to establish, in Egypt, a counseling service of the kind that they had run very successfully, we were told, in Malaysia.

Q: This is for young people?

ATHERTON: It's for anybody in the community. It grew as it went along. The first thing was to pull together a core group of Americans who would commit themselves to try to make this happen. Betty organized it, but she had to get a group of people to work with her. And that meant relying to a very large extent on the private business community, particularly the large companies who we thought could perhaps contribute money.

The seed money was used to pay the travel costs of this couple from Malaysia to come and meet with the core group and any other members of the community who were interested, in Cairo. It didn't take very long for a number of people, Betty's friends and others that she had pulled together, to say that this couple has a role to play, we really need to build a support system for the American community, to deal with adjustment problems, to deal with family stresses, to deal with teenage problems, to work in the school as well as in the community generally.

And that was the origin of what became known as the Community Services Association, the CSA. It grew from this couple to a large staff and a budget that eventually got up to several hundred thousand dollars a year, plus a lot of support in kind.

For a long time the embassy provided an apartment, which it had on lease, for the couple to live in and also for office purposes. Amoco, one of the big oil companies, put an automobile at their disposal, and they also gave money.

My first experience at fund raising was having a meeting of the leaders of the business community at the embassy, with Betty, to tell them about this program and to urge them to help support it. And that was the beginning of what became a self-supporting organization. They also charged modest fees for some of the services, to help provide income.

Eventually it became a resource for the school, as well as for the private and official community. And it's still going today, very strong. That couple has now left. They were asked to set up a similar organization for the American community in Taiwan, and that's now where they are. But they left a very viable organization behind them, which continues today to perform a very essential role in the community.

We had great cooperation, for example, from some of the Marine security guards in working with some of the kids. We had great cooperation from some of the embassy security officers in dealing with the local Egyptian police in the communities where the Americans lived, to work on

police-community relations and on community relations for the Egyptians and Americans. I think we probably nipped a lot of problems in the bud that might have strained, at a personal level, relations between the American and Egyptian communities. Not entirely. They still to some extent existed, but I think we were able to do a lot to ameliorate them.

There were other issues, to just mention in passing, because of the rapid growth in the official community. There was a need to improve the housing available for Americans in Cairo. And therefore the Foreign Buildings Office, FBO, had already, even before we got there, made a decision that they would build a couple of apartment complexes to house members of the AID mission, plus others. It was to be interagency housing, which helped break down the barriers between the different components of the embassy. If you have people living in the same compound, in the same complex they get to know each other better than just seeing each other in the office.

In addition, the decision had been made and FBO was well advanced in drawing up plans to build a new residence for the ambassador, on property that had been acquired way back before the 1967 War by Luke Battle when he was the ambassador there.

Q: Luke Battle has covered that very amusingly in his interview.

ATHERTON: Well, I won't cover it again, except to say that it turned out to be a debacle in the end. But, in any case, when we got there the decision was already made and plans already approved by FBO, architects already chosen, to construct a new residence.

We were living, as did the Eilts before us and our successors ever since then up to this day, in a very nice old, not lavish but comfortable villa on the island of az-Zamalik, which had been, before the '67 War, the DCM residence.

The DCM residence we owned; the ambassador's residence had been leased. When the war broke out, the lease was allowed to expire and we lost that building. And when we resumed relations in 1974 it was too late because the Japanese government had bought it and it was now the Japanese ambassador's residence.

But we did have this property right on the Nile in Giza, across the river from Cairo, very nice location, and the plan was to build a new residence and eventually move out of the villa in az-Zamalik and into this new residence.

Also the decision had been made to build a new embassy office building. And that became a bone of contention, because the original plan was to build a seventeen-story-high tower, which at that point would have been the tallest building around in that part of town. Later, other buildings have gone up higher, but then it would have dominated the landscape.

And some people in the embassy, particularly some of my political officers, felt that this was the wrong statement for the Americans, that we were trying to keep a low profile, because we were so big in our programs, in order not to convey the image of the imperialist power behind the throne in running the government of Egypt through the American embassy. And therefore the

feeling among some people in the embassy was that we ought to rethink the design of the building.

I thought this made sense, so I did send in a recommendation to Washington that we rethink this whole concept and if possible keep the existing chancellery, which was a lovely old villa, and then build an office attached to it. But instead of going up into the air, just go up two stories and have it lower profiled and broader based.

I was told by the FBO and by the architect that it was too late to try to make that radical a change, and anyway the old chancellery was probably not worth saving, because it was too old and it would cost too much to repair the plumbing and the electrical wiring and all of those things.

So my next line of defense was to say, "Well, in that case, let's rethink the size, the height of the building."

AID had moved eventually, from being scattered all over Cairo, into rented space in a new office building, across two or three blocks from the compound and the chancellery, up on the upper floors, so it had the security of not being on the ground floor and having other tenants in the building. And they were quite well ensconced in this rented building. They were consolidated, it was convenient.

The plan for the new embassy chancellery had been drawn up with the assumption that it would house everybody, including the AID mission at its maximum size.

Q: *Forever.*

ATHERTON: Forever. And my argument was that you're building a chancellery that you want to have into the next century. By definition, an AID program should always be self-liquidating, and hopefully by the time this building is built, or at least after it has been inhabited awhile, the AID mission will have decreased in size and you won't need all that space.

I had in mind, as I think I said earlier in these interviews, the building of the chancellery in Bonn. It was built for the maximum size of the U.S. presence, and then the presence shrank enormously and we had to end up leasing large parts of the embassy in Bonn to the German government.

Well, finally, this got the attention of the planners back in Washington, and, in fact, they did decide to lower the number of floors, on the assumption that AID would not need all that space. And that was where it was left. The actual building didn't start until shortly before Betty and I left, in 1983, when they broke ground and began actually constructing the building. And that's somebody else's story. But we stayed in the old chancellery and in the old residence for the duration of our tour.

And the building program was an enormous operation, and it took on a sort of life of its own as well, all the time we were there. Trying to stay on top of that was not easy.

Well, I think I've said perhaps enough about what the housekeeping problems were, the kind of problems that arise in a rapidly growing mission, large dollar programs, feeling our way towards what kind of a military supply relationship we would have with the Egyptians, the Egyptians wanting the latest and best equipment in very large numbers, and our saying don't take it faster than you can absorb it. You have to train to use it and maintain it. And there were always some tensions between us and the Egyptians over that. But they were amiable enough so that they were contained, they never became major crises in the relationship -- during those days at least.

What did later become a problem was that this was a military sales program in those days, we were providing Egypt credits not grants, which they eventually were required to repay, to purchase their military equipment. And this was during the Carter administration high-interest-rate period, so that a lot of these loans that the Egyptians were getting had interest rates on them of 12, 14 percent. And today, in 1990, those chickens have come home to roost, because the Egyptians are now strapped repaying those enormous loans and enormous principal and interest charges, which are putting the squeeze on an already difficult economic and financial situation for them.

So, the programs were moving rapidly. Another thing I should have mentioned was the attempt to interest American companies to invest in Egypt. And Bob Strauss, in addition to his job as the President's negotiator for the autonomy talks, took a special interest in trying to encourage American investors. And when he arrived for that very first meeting, which I told you about, in July of 1979, he brought with him a planeload of big time American businessmen, headed by Duane Andreas of Archer Daniels Midland, a big agricultural food processing company, to talk to the Egyptians about possibly encouraging Americans to come and invest in Egypt. American investments never really took on the dimensions that had been hoped at the time, largely because of the difficulties of dealing with a very large and entrenched Egyptian bureaucracy, which still, at its core, was very suspicious of the private sector and also saw this as a threat to its purpose. If you had a free market, you didn't need a large planning ministry and investment authority to control prices and control imports and control investments, and tell them what margin of profit they could have, and all of these things. But the American investors, many of them, found that it was very difficult cutting their way through this..., despite efforts at the top on the Egyptian side. Down below the top there were still enormous obstacles to getting approval for any major joint venture.

Q: Were these mainly manufacturing schemes or were they infrastructure construction schemes?

ATHERTON: Well, they weren't manufacturing in the sense of heavy industries. An example, which did succeed finally, was Union Carbide establishing a battery factory. That took a long time, but that finally succeeded, and it's been going well ever since. American Standard is doing well manufacturing plumbing equipment. There was a lot, though, connected with building industries, cement plants, the infrastructure, to build up the basis for meeting Egypt's tremendous housing shortages.

Also there was a lot of interest in getting into the trading sector. And, of course, Egyptian fortunes were made in the free market Sadat created. It had a downside, because a lot of the free market was used to import luxury goods. You see many Mercedes cars and all sorts of expensive

conspicuous consumption type items for those Egyptians who had struck it rich in this new free market that Sadat had created. So you really created a nouveau riche class in Egypt, of people who had gotten rich very quickly and were showing it. And this was one of the criticisms of the Sadat regime, that he permitted the economic and social discrepancies between classes in Egypt, which Nasser to a large extent had not eliminated but had certainly narrowed, to reemerge. But in the Sadat era, one of the criticisms, in fact, that gradually began to be levied against Sadat was that he had permitted a new rich class to emerge, which was not at all appropriate in a country as basically poor, with as many poor people as Egypt had. And it was not only economically unfair, but it was socially potentially destabilizing.

Q: You'd had such very close relations with Sadat on political matters..., Egyptian-Israeli treaty and so forth, now that that was sort of not on the front burner, what did you discuss with him from now on during your period as ambassador? Or did you see him very often?

ATHERTON: I didn't have to see him all that often at that point. Usually I would see him when we had important visitors coming and I would have to accompany them to see him. We had an endless stream of members of Congress. I think more congressmen came to Egypt than to any other place except maybe Israel and Ireland.

Q: To see where the money was going?

ATHERTON: To see where the money was going and to be seen to have their picture taken with Sadat. It was a very good thing to show your constituents back home, that you were shaking hands with this man. We forget what a popular hero Sadat was in this country. He had a knack of projecting his image in America. He was very good on American TV and in dealing with the American media and with American public opinion. So congressmen came through all the time, and that always involved meeting with Sadat.

Military delegations usually would make a courtesy call, at least. And there were occasional issues having to do with glitches in the autonomy talks that needed to be discussed at a higher level. Usually it would be a meeting with Sadat by Bob Strauss, on which I would go along. I would have occasional private meetings, but they were not too frequent, because we didn't have that many issues.

There were some economic issues which had occasionally to be discussed with Sadat. And that was difficult, because Sadat really was not an economist, he didn't really understand how a complicated macro economy works, and he didn't really take seriously the advice he got, not only from Americans but from many of his own economists, that Egypt had to institute some genuine economic reforms, that its economy was going to become increasingly moribund. It had an enormous -- and still does -- system of subsidies built in to keep the cost of living down. There was almost no inflation for the poor Egyptian in terms of basic foodstuff: bread, sugar, tea, cooking oil, heating fuel, rice. The things that basically most Egyptians subsist on were all subsidized and the price was controlled. But they were subsidized by an enormous element in the Egyptian budget which was creating budget deficits and therefore inflation in other parts of the market where there weren't controls. They were also subsidized at the expense of the agricultural sector. Low productivity undermined export competitiveness adversely affected the investment

climate and employment.

Q: And the growing population, I gather.

ATHERTON: And the population was another problem, which I will turn to in a minute. The Egyptian economy was full of anomalies and distortions. There were almost no mechanisms for a market system to send signals that would help it regulate the economy. It was not a market economy. Sadat imposed a market economy in certain sectors. Egypt came to have, under Sadat, two economies. It had its private sector, its free market, which flourished. People made a lot of money, lots of goods were brought in. You could buy anything in the stores of Cairo if you had enough money. And then you had the controlled economy, which was the heavy industry and the control over imports, exports, investment, and all of these things, which kept the prices down for the man in the street. Electricity prices were heavily subsidized, and the result was that Egyptians were very wasteful of electricity because they got it so cheaply.

It was the classic problem of trying to move from a controlled command economy, with subsidies and artificially suppressed prices, to a market economy. It's the kind of thing that, since the changes in Eastern Europe, all of the Eastern European countries are going through. They at least are countries that have had an industrial base and an economic infrastructure. Egypt was starting from a much lower level, and, faced with these problems, it tended to put them off. Sadat did not like to deal with economic issues.

One of the big arguments when we were there was whether you tried to get more production out of existing farmlands or brought more lands under cultivation. Egypt, which at one time not too many decades ago was self-sufficient in food and even sometimes exported food, by the time I was there had become a heavy importer. A big component of the American AID program was shipping some highly subsidized foodstuff, mostly grain, into Egypt under PL 480. The argument was how can Egypt do more to feed itself.

Sadat used to say: Well, there's no real problem, because we have all that land. It is desert, but we also have all that water from the Nile -- and you put the water on the land and you can expand agricultural land indefinitely.

AID finally brought in a consulting group to do a study which hopefully would persuade the Egyptian government that that was a very over-simplified economic theory. And they based it on what it cost for the power that you have to generate to raise water from the level of the river to the level of the fields, to irrigate on a mass scale. They pretty well proved, at least to AID and most economists' satisfaction, that putting enormous resources into reclaiming desert was not economical. Egypt could get a lot more use out of the existing fertile land it had by better agricultural methods and by better irrigation, and it could also save water in the process. But that was the kind of thing that Sadat preferred not to get involved in.

Another issue, which you mentioned in your question, that was and still is terribly important is the rate of population growth in Egypt. When we went there, it was a net increase of about a million a year, with a population of 39 million, roughly. When we left, four and a half years later, it was a million every ten months, and the population was pressing 50 million -- with all

that that implies.

AID had in those days a family planning program, a unit in the AID mission that was working with Egyptian counterparts on family planning. There was a family planning unit in the Ministry of Health. There was a very active private family planning organization in Egypt, with rather enlightened, for the most part urbanized, westernized Egyptians. Mrs. Sadat was the honorary head of the family planning organization in Egypt.

And AID brought over a computerized demonstration, funded by a grant from the Ford Foundation, I think, under their Resources for the Future program, to demonstrate to Egyptians, by computerized model, what the implications were ten years, 15 years, 20 years down the road if their population continued to grow at the present rate, which was 2.7 percent a year, or something like that, net increase, in terms of the need for additional urbanization, for additional roads, for additional schools, hospitals, employment creation, all those things.

The head of this team, by the way, was Marshall Green, our former ambassador to Indonesia, who became converted to the importance of family planning because they had a successful family planning program when he was ambassador in Indonesia. And, in retirement, his mission was really to try to preach the need for family planning in underdeveloped countries.

He came to Egypt with a young man who operated the computer and its model, having fed in all the software based upon Egyptian statistics. They took the Egyptians' own data base (so the Egyptians couldn't say: You've distorted our data base), and then, in a group of people, of ministers and officials and some private people, he would say: Now, let me show you where you are. Let me show you what happens if you continue to have family sizes averaging five children. Let me show you if you cut it back to three children -- the difference ten years from now in how many schools you will need, how much food you will have to import, et cetera, et cetera. And it was pretty graphic. And then, because some were skeptical, he would say: All right, you give me a question, you give me the data, and I will feed it in, I'll take your assumptions. And it would still come out with this very gloomy picture.

And I think he made a lot of Egyptians suddenly realize that they were on a path that eventually was going to collapse of its own weight. I don't know what the maximum population for Egypt is, but if you went to zero population growth in the 1980s, when we were there, by the end of the century you would still have 80 million people. If you didn't reduce the rate, you would have over 100 million. And by the year 2020, or something like that, 2025, you're talking about a population of, I think, 175 million, which most people would agree probably Egypt can't support, because it doesn't have the water or the resources or the habitable land.

Q: That's only 30 years away.

ATHERTON: That's right. Today it's only 30 years away; then, it was 40 years away. Now the real problem is to get leadership at the top for this project, and that means, in effect, the president.

Once upon a time, a new AID Administrator came out, Doug Bennet, and paid his courtesy call

on President Sadat, and I went with him. He had his brief, and one of the questions he was briefed to ask the president was: What are you doing about family planning in Egypt?

And so Doug looked for an opening after the usual discussion of the AID program and Sadat's usual lecture about the enormous potential of Egypt, and he said, "Mr. President, we are concerned about the rate of population growth in Egypt. What is your attitude towards family planning?"

And Sadat stopped, and he looked down, and he said, "Young man (Doug Bennet looked like a young man), my wife nags me all the time on this. Are you going to nag me, too?"

And that was the end of the discussion. You couldn't get Sadat's attention. He didn't want to deal with it. First of all, he came from a rural village where the tradition of large families was deeply rooted in the culture. Not so much in the religion, but in the culture. And secondly, it was a very touchy political subject. Many Muslim clerics will tell you that there is nothing in the Koran that prohibits family planning methods. It's more cultural than religious. But still many of the conservative clergy were opposed to it. And they would cite chapters of the Koran to support this. Others, liberal clergy, would cite chapters of the Koran to say that there was no objection. Abortion, of course, was out of the question in Islamic culture, but family planning, birth control, the pill, etc., all quite accepted by many people in Egypt. But the problem was to get it disseminated into the uneducated, rural population, where the great problems were. And the problem was to get Sadat's attention.

Q: Can I ask you, it's sort of branching out quite a bit here, but did you have any problems with your relation with the intelligence community?

ATHERTON: Not really. And I would like to answer that, but I have one more point to add on family planning, because I think it was a nice little anecdote.

I managed, one time when I was with a congressional delegation visiting Sadat, who was then down in Aswan, it was obviously in the winter, to get into a conversation with Mrs. Sadat, and I said, "You know, Ambassador Marshall Green has a very good demonstration of the problems of growth of populations. If we could just arrange to get the president to see this, I think it could make a difference."

And so she said, "I will see what I can do."

So Mrs. Sadat and I conspired, and finally she persuaded the president to have Marshall Green bring his computer and his little spiel and have a private meeting at Sadat's residence in Cairo, with Mrs. Sadat and one of his ministers and Marshall Green and a couple of us from the embassy and the president, and that was it. Marshall Green went through the briefing, and at the end there was this long silence. I thought, "Oh, God, Sadat is either asleep or he hasn't listened." And then Sadat said, "It's a nightmare." And so I said, "Hey, we got through to him. He realizes this." But the fact is that he never stood up and took a public position. He never made it his issue, even though he personally, I think, at that point realized there were problems.

Let me turn to your other question -- the intelligence community. I was very fortunate in having a good succession of chiefs of station in Cairo, who worked well with me at all times and worked well with their counterparts in the embassy and the Egyptian government. The chief of station was declared as CIA representative in his liaison with his Egyptian counterparts. He was not under deep cover. He was under what I guess you might call superficial cover, but certainly the Egyptians knew who he was. There was no attempt to hide him. And he was very much a part of the social scene and a very cooperative person, as were the people on his staff.

The only problem I guess that we had was the general problem of: How much intelligence do you conduct in a friendly country? In the days of Nasser, when the Russians were big in Egypt and Egypt was considered a Soviet client, it was fair game to conduct as many clandestine operations as you could, to try to find out what the Russians were doing in Egypt and what the Egyptians were doing with the Russians. But here we suddenly had a totally reversed situation. The Russians were the bad guys, we were the good guys. We were on friendly terms, and there was a genuine concern that we not through intelligence operations in Egypt do things that would embarrass Sadat or embarrass the relationship. And that put certain constraints, self-imposed restraints on what could be done in terms of intelligence collection, other than overt activities in Egypt itself, and put the intelligence relationship more on the basis of Egyptian-American cooperation in the intelligence field on external problems but not do very much internally, other than just keeping one's ear to the ground, which any good embassy officer, whether intelligence or not, is supposed to do, keeping your finger on the pulse as much as you can, of what's going on in various aspects of Egyptian society.

Q: In recalling the fate of President Sadat, were they pretty well tuned in to political affairs and things like that?

ATHERTON: The Egyptians shared very well, I think, their information, and certainly there were plenty of pieces of intelligence information, and not all of it necessarily covert, although some of it was, of plotting against Sadat. I mean it was no secret that there were various groups, mostly Islamic fundamentalist groups, who had been trying for years to destabilize not just Sadat but his predecessor, Nasser. In fact, Nasser put most of the Muslim Brotherhood leadership in jail, except for the ones he executed. There were some plots against him. But one of the first things Sadat did when he came to power was to decide that the real threat to him would come from the left, particularly since he had alienated the Russians, and he was afraid of the leftists and the crypto-communists in the small Egyptian communist party. And so he amnestied all the Muslim Brotherhood leaders and made them respectable again, in the thought that they would be a counterweight to the threat from the left. It turned out in the end, of course, that they were the threat -- not the Brotherhood itself, which by that time was an aging, more respectable group, operating within the law in its opposition to secularization and many of Sadat's policies, but certainly not engaged in destabilizing efforts. But there were spinoffs of the Brotherhood, militant spinoffs, clandestine spinoffs, who definitely looked to violent political action as a way of trying to change the regime. Their objective was to achieve what Islamic fundamentalists basically had as their goal -- to get the country back to the Koran, to make the Koran the law of the land, Islamic law and Islamic tradition, governing education, governing all aspects of society and all policies of the government. And that included not making peace with the infidel Israel, not being allied with the western devils, the United States, and certainly not allowing women in

public life, like Mrs. Sadat who became a public figure in her own right. But there were lots of things that Sadat did, and Mrs. Sadat did, in their public life and in their public image, as well as in the policies of the government, that built up a very strong head of steam among the very conservative Islamic elements in Egypt against the regime. Again, I wouldn't lump them all together. There was an Islamic renaissance in this period, and it did lead to a growth of religious sentiment, manifested in a tendency to turn to Islamic dress on the part of women, and a tendency of the men, the young in particular in the universities, to adopt the beard and traditional dress. You would see them in throngs at the mosques on Fridays, very disciplined. And there was a lot of concern that this was all going to become increasingly a threat to the general direction of Egyptian society which, ever since Muhammad Ali, had moved towards a western model in the economy, western political models, secularization, separating religion and government.

We're now at the point where the search of the Shah of Iran for asylum had begun to run out. By that time it was generally known that he was fatally ill with cancer. He had had it for some time, but it was a very well-kept secret for a long time. And he was given, in effect, the hospitality of Egypt by President Sadat, who welcomed him and his family and supporters, and made available to them one of the old royal palaces of Cairo so that they could live in royal style that was befitting the Shah and his family.

And it was not too long after that that the Shah died. There was a very impressive state funeral. He was to be buried, or his body interred, at one of the old mosques in Cairo, the one that had been originally built during the Shiite period in Cairo and so therefore had some associations with the Shiite branch of Islam, to which, of course, Iranians belong. Many dignitaries and some heads of government came to the affair.

There was a policy argument about whether or not I should go, representing the United States government. We were in a very delicate situation vis-à-vis the revolutionary government in Iran and there was concern in Washington it might complicate our efforts to see whether or not ways could be found to get the hostages out of Iran if I went as the president's representative to the Shah's funeral.

Q: Your official position at that time was what?

ATHERTON: I was ambassador to Egypt. And I consulted with the British and others to see if we could get a common position. The original decision was that it would be better perhaps if I gave private condolences to the family on behalf of the Carters but shouldn't go to the public funeral. And it was my impression at that time that this would be also the position of the British. I learned later that the views of the British Royal family prevailed and the British ambassador was instructed to go to the funeral.

I sent Washington a message that I thought I would be conspicuous by my absence among all of at least the western ambassadors in Cairo, that if I didn't go. While I could understand the sensitivity vis-à-vis the Iranian regime, we didn't seem to be having much luck with them anyway, but we did have a certain amount at stake in our relationship with Egypt, and it would

be misunderstood by Sadat, who had given asylum to the Shah, if the U.S. ambassador wasn't there for the last rites, to pay the last respects to this man who had been such a strong friend and supporter all his life of the United States. So the decision was that I would, in fact, go to the funeral.

The most senior American at the funeral was Richard Nixon, who came in his private capacity. It was a hot July day. We walked all the way to the mosque, broiling in the Cairo sun. Sadat was at the head of the procession, wearing his full uniform with choke collar. The Shahbanou also walked. We all walked. And we walked through some of the narrow, tortuous alleys of old Cairo, with people on the roofs and people all over the place.

I suppose there was a potential security problem. If somebody wanted to knock off Nixon, or any number of ambassadors, or President Sadat, this was a perfect time to do it. I'm sure that Egyptian security had gone through the area ahead of time and had done their best to sanitize it, but you never can be sure. In any case, the funeral went off without any incidents, except for the usual jostling and crowding.

I had received instructions to deliver personal messages from President and Mrs. Carter to the Shahbanou. I called Egyptian protocol, who were handling protocol for the Shah and his family, and asked if they could arrange for an appointment for me to go and deliver messages from the Carters to the Shah's widow. And the answer came back, almost within an hour, that the Shahbanou would receive me an hour later that same day. It was late in the day, as I recall, and I think it was the day just after the funeral, if I'm not mistaken.

So I pulled myself together, got in my car, went out into the traffic, which was pretty bad as I recall, and got to the palace and was waved through the gate, and entered the palace. Who should be there at the entrance waiting to greet me but Ardeshir Zahedi, who had been the Iranian ambassador, the Shah's ambassador to Washington, and was part of the family circle, and who was there at the funeral. I hadn't seen him at the funeral. But he was there, and he greeted me as a long-lost brother, and we had a little chat. And then he escorted me into the room, and I delivered the Carters' messages to the Shahbanou, which she obviously was very anxious to see; she read them eagerly. And then, I must say - she is a woman of great character and strength - after I had said the usual things on such an occasion, she said, "Now I want to talk about getting my children into the American School here in Cairo."

Q: First things first.

ATHERTON: First things first. I said, "Well, you know, the American School is not a government school. I can only pass this word to the principal, but the decision will obviously be a decision of the admissions people at the school." And she looked at me as though she couldn't believe it. As if to say, if the American ambassador says they'll be admitted to the school, I'm sure they'll be admitted, was her attitude. Well, in fact, they did get admitted. It created a bit of a security problem, because there were Palestinian students at the school, there were Israelis, and there were all sorts of other nationalities. And there were lots of people who were not very friendly to the former Iranian regime. They had to have high security protection, and that was always disruptive of the normal life on the campus. This was high school. And it included the

son who is now, I believe, the heir apparent. I can't remember now. But he was the crown prince, he was the eldest son.

Q: Sometimes he is called the pretender, sometimes the crown prince, heir apparent.

ATHERTON: The dénouement, as I recall, of the Iranian episode, came with the attempt by the Carter administration to mount a rescue operation to get the hostages out of Iran.

The first communication that Egypt was going to be asked to help in the attempts to rescue the hostages came through a message, conveyed through the secretary of defense, Harold Brown, to the Egyptian vice president, Hosni Mubarak, asking if they could make available some Egyptian airfields that we could use as a place to preposition equipment and personnel that would support a hostage rescue operation.

The message came through a back channel, and it was basically an instruction for our senior defense representative, who was a brigadier general, David Rohr. Dave Rohr was head of the Office of Military Cooperation, which administered our military assistance program in Egypt. And it was an instruction from the secretary of defense for him to go call on the vice president. It didn't say anything about informing the ambassador or asking the ambassador to take part in it. But fortunately the message had been delivered through the station chief. Incidentally, this was not a clandestine position; he was acknowledged and declared to the Egyptians, so that I'm not giving away anything I shouldn't when I say that we had a station chief who was a member of my staff and an official liaison with his counterparts in the Egyptian government.

And he came directly to me and said, "I have this message that I'm supposed to give to the general. But I know my instructions. No messages are to be given or accepted without the ambassador's being aware of it." So he gave it to me.

I called in the general and said, "There is a message to you from the secretary of defense about calling on the vice president. I think it really should be addressed to me, and before you take any action on it, I'm going to go back and try to get this in the right channel. What I will do is request that you and I jointly call on the vice president."

And I got on the secure phone and called NEA in the department and talked to Morris Draper, who was then deputy assistant secretary in the NEA front office, and said, Morris there has been a glitch. I have this message that wasn't even supposed to come to my attention, and I told him what it was. And he said, "I'll get right back to you."

And it was almost no time at all that a correction came in saying that the secretary had certainly not meant to by-pass the ambassador, there had just been some mistake with routing, and would I please arrange for a meeting with the vice president. . .

Q: So NEA did not know about the message either?

ATHERTON: So far as I know, NEA at that point hadn't known about it either. But they did know now. It got back in channels fairly quickly. Dave Rohr and I got an appointment very

quickly and called on the vice president, presented the request. He said he would have to talk to the president, but added, "I think I know that the answer is going to be positive. And I think I know the best place for it." Mubarak was an Air Force officer, he knew the airports very well. He said, "We have a very isolated base, which is not an active base now, but we have a small maintenance detachment there." It would be out of the public view, in the area between Cairo and Luxor, east of the Nile, in a secluded valley called Wadi Qena, with good runways and good basic facilities, power and water and all that. And we did get word very quickly that this base would be made available to the US for staging a possible rescue operation.

And that's exactly what happened. It wasn't very long before we had an American military detachment there with an Air Force PX and all the usual things that go along with an American detachment, AWACS reconnaissance planes landing and taking off.

Q: And word never got out about this?

ATHERTON: Well, it eventually began to seep out. The Egyptians just simply stonewalled it, of course. It was interesting, the local foreign press began to get wind of this and began to make inquiries, but they couldn't get anybody to confirm. They just got stonewalled. They didn't get anybody to give them hard information. And there was no way you could get there easily. You couldn't just take off and go to it. In fact, they weren't quite sure where it was. It was not on any of the maps that we had. I think the first time people began to get suspicious was when young American tourists with short haircuts began to turn up at odd hours from nowhere on special buses to view the ruins of Luxor. It wasn't quite clear where they had come from or where they were going back to. I went down, actually, and made a visit once, and was given a flight in one of the AWACS on one of its reconnaissance missions. My one and only ride on an AWACS. Anyway, it was there, and the Egyptian military all knew about it. But it was one of the best-kept secrets, as far as making headlines was concerned. I think today there have been stories about it, but it's sort of old-hat now. But it was quite active in those days.

Anyway, the next thing that happened with regard to this base was another message through General Rohr who was the direct liaison for the commander of the base. Rohr was an Air Force general, and after that first glitch on the meeting with Mubarak, he kept me well briefed. Rohr did tell me (strictly on a need-to-know basis, not for general dissemination, because it was being handled in absolutely the most secret way) that in fact D-Day had come, and that they were going to be bringing people in for this operation and staging through and to Iran, with other stops on the route. I think they also had to regroup somewhere using facilities we had available in Oman, en route to launching the helicopter raid, which ended in such a disaster in the Iranian desert.

So I was generally aware that the operation was going forward. I didn't see the operational plans. There was no need that I should. I did say that I assume that the Egyptian government was being informed through their military channels. There were no official messages to go tell Sadat we were mounting the operation. It was at that point so sensitive and no one wanted to complicate the life of the president and the people who were trying to make this work.

In any event, I received a very urgent message the next morning, which basically said I should

immediately seek an appointment with the highest available official to inform him that the attempt to rescue the hostages, which they had helped us mount, had failed and there had been a tragic accident, with loss of life of American crews. So I had to go and convey this word to Vice President Mubarak, whom I saw almost immediately. He was obviously crestfallen. Not that we had tried this, but that it hadn't worked. I also had been told to inform him that the president would very shortly be making a public announcement of this.

One complication was that on this particular day the president's mother was visiting Egypt as a guest of the Egyptian government -- Miss Lillian -- and the embassy was giving her official escorts and accompanying her on some of her visits.

I had the job of getting word to her as early as possible, before the press got to her, to tell her this, before she was leaving for a very early program, visiting medical facilities and other things that she was interested in, in Egypt. Our message to her was that the president was soon going to be announcing the failure of the attempt to rescue the hostages, and it might be a good thing if we could arrange her schedule so she could avoid encounters with the press.

And her only comment was, "Poor Jimmy."

Well, that was really the end of that episode. That was April 24, 1980, towards the end of the Carter administration, and there were no more attempts to get to the hostages. It was clear that Ayatollah Khomeini had made the decision that he was not going to release the hostages to President Carter. And, of course, he did the most humiliating thing that he could, which was to release them as soon as President Reagan had been inaugurated. It was both a humiliation of Carter and an attempt, I guess, to clear the decks and clear the air with the new administration.

Carter was defeated in the elections in November and, like all ambassadors, I went through the procedures of making my resignation available to the new administration. In due course I got word back that President Reagan wanted me to continue as ambassador to Egypt.

One of the very first things that happened after that was a visit to the Middle East by Secretary of State Al Haig. He came as one of his early priorities to meet the principal actors of the area, including, obviously, President Sadat, but also the Jordanians and the Saudis and the Israelis, and to reaffirm that the Reagan administration wanted to build on the Camp David agreements.

Remember where this was at the time. This was after the peace treaty, which had been signed in 1979, but only part way through the implementation of the treaty. In other words, the Israeli withdrawal from Sinai was only partially complete. The withdrawal was staged over a three-year period, which meant that the final withdrawal was going to take place during early 1982, and this was the beginning of 1981. Haig came out with about a year still to go before the Israeli withdrawal would be final.

The other aspect of the peace treaty that was incomplete was the autonomy talks, which were going on between the Egyptians, in effect speaking for the Jordanians and the Palestinians, and the Israelis, about implementing that part of Camp David which provided for an autonomy regime for a transitional period, for the Palestinian inhabitants of the West Bank and Gaza, as a

step towards further negotiations for a final settlement of the Palestinian-Israeli aspects of the Arab-Israeli conflict.

I think I mentioned earlier that the first negotiator had been Robert Strauss, who had been the president's representative to help the Egyptians and the Israelis in the autonomy negotiations. He had been called back to help run President Carter's election campaign, and had been replaced by Ambassador Sol Linowitz. But obviously it was the end of the administration and his resignation was accepted. And therefore there was no autonomy negotiator, and there was no great rush on the part of the Reagan administration to appoint one. While they were committed to the Camp David Accords and Peace Treaty, their priorities were somewhat different. They sounded a little like what I would call the neo-John Foster Dulles approach to the Middle East.

And when Haig came out, his main focus was on trying to forge a "strategic consensus" among the states of the area with the United States, against threats that were perceived by this administration to come from the Soviet Union. I had the job of trying to convey to Al Haig that this was not the first thing on the minds of the Egyptians. They were more interested in finishing the Israeli withdrawal from Sinai and getting something for the Palestinians, so they would not be the only country at peace with Israel. And he did modify the line a bit after a while. Instead of saying "Our policy is to forge a strategic consensus," he said, "Our policy is a twofold policy, to forge a strategic consensus and to continue to pursue the ultimate goal of a comprehensive peace according to the Camp David accords."

Q: This, I gather, was pretty much at your insistence.

ATHERTON: Well, I think some of my colleagues in the area also made the point. At the same time, this was not a time of great friendship between Egypt and the Soviet Union.

Sadat himself was concerned about the Soviets, after Afghanistan. This was after the invasion of Afghanistan, and some people had the apocalyptic view of a Soviet move down through Beluchistan and into the Persian Gulf and a threat to the oil supplies. Sadat to some extent shared this perception. Whether he really believed it as much as he said, I'll never know, but he certainly talked this way, and it made him very popular, obviously, with the Reagan administration, who felt they saw eye to eye. But they didn't, really, because Sadat wanted the economic benefits of peace and he didn't want to just focus on a strategic consensus, which implied trying to find common ground between Egypt and Israel as military allies of the United States. The implication of "strategic consensus" was what other Arab states could we bring into circle? I think anyone who knows the Middle East knows that as long as the rest of the Arab world, was in a state of belligerency with Israel, Egypt didn't want to be isolated with Israel and the United States. Sadat didn't care as much perhaps, but a lot of his people did. And therefore, however much they may have been suspicious of the Soviets, and Sadat was very suspicious - he had broken off many of the aspects of his relationship with the Soviets, although they still had an embassy there, and he had turned entirely to the United States and away from the Soviets - still he didn't want to be seen, and certainly his advisors in the Foreign Ministry and others in the government who were more sensitive to the Arab world views of Egypt than perhaps Sadat was, didn't want to be seen to be developing a military alliance with Israel against the Soviets and forgetting about the Palestinians and the peace process. So we had to find a way to reconcile these conflicting

perceptions that Washington had and that the Middle East had.

Q: Who was advising the president on Middle East affairs in the White House?

ATHERTON: I think this was still the period when Richard Allen was the national security advisor. I forget who worked under him. I don't recall that they had anyone on the White House staff who was a Middle East expert.

Q: It sounds as though they didn't have anyone.

ATHERTON: The State Department had its Middle East experts who were advising the secretary, but he had other people that he listened to who did not necessarily have all that good a background on the Middle East. He was getting somewhat mixed signals. But he certainly was hearing a fairly consistent line from those of us in the area.

In any case, the problem was: What to we do about the peace talks? The administration finally did appoint a negotiator, not as public and prominent a figure as either Robert Strauss or Sol Linowitz. It appointed Richard Fairbanks, who had been a lawyer and a supporter of the Republican party, and had, at one time, under an earlier Republican administration, been assistant secretary of state for congressional relations, and had worked in various positions around the administration. Fairbanks suddenly turned up as the negotiator for the autonomy talks. His teams were much the same; he still had much the same people at the working level in Washington and from the embassies in Israel and Egypt.

But by that time, the steam had gone out of the autonomy talks. They hadn't made much progress. The Egyptian and Israeli delegations had been able to agree on certain areas of commonality, but the key issues in the autonomy talks were never resolved. They agreed on a lot of peripheral though less important issues, and it was useful groundwork. But the really key issues were such matters as who would have authority over the allocation of water rights once the Palestinians elected their own local self-government and the Israeli military government withdrew. The Israeli military would remain in the occupied territories, but they would get out of running the day-to-day life of the Palestinians.

But that led to questions such as: Who's going to control water rights? Would this be solely the elected, Palestinian self-governing authority? Would it be the responsibility of mixed commissions of Israelis and Palestinians? Or would the Israelis retain some of these rights? The question of who's going to vote in these elections, in particular, would the inhabitants of East Jerusalem be allowed to vote? The Israelis had always treated East Jerusalem as under Israeli law and quite separate from the rest of the occupied territories. Legally, from the American point of view, it was still part of the territory that had been occupied by the Israelis since the 1967 war. There were lots of issues, really tough ones, having to do with electoral procedures, eligibility for election, the authority of the self-governing body, how much authority would it have, how much would be just responsibilities detailed to by the Israeli military governor, who might move from the occupied territories across the line into Israel proper but would still have overall authority.

So there were all sorts of unresolved questions and no sign of being able to even approach a

solution to them, and an increasing unwillingness on the part of the Egyptians to make these kinds of decisions for the Palestinians. They wanted to just get some general principles agreed and have the elections take place and get Palestinians elected who were going to deal directly with the Israelis with a Jordanian presence as well if possible. The Egyptians were uncomfortable trying to assume and make decisions for the Palestinians and the Jordanians. So the talks didn't really lead very far.

Meanwhile there was a growing disillusionment internally in Egypt, the perception that peace had not produced all that they had anticipated, that Sadat had oversold the peace settlement in some ways to his public by promising economic miracles, and a quick solution to the Palestinian problem, that the isolation from the Arabs would be only temporary.

Well, there were no economic miracles. The economy continued to have difficulties, it did not attract large foreign private investment and inflation began to get worse. A new rich class emerged, taking advantage of the free market in services and trade and commerce and banking in particular which Sadat had inaugurated in place of the command economy of the Nasser period. It did not extend to manufacturing; it involved little productive investment and was more service centered, which made some quick fortunes, and this led more to dissatisfaction on the part of the average Egyptian.

And there was no progress in implementing normalization provisions of the peace treaty. There were lots of things that were supposed to follow, such as the negotiation of cultural exchange agreements, professorial exchange agreements, trade and commerce. Anything that was not explicitly spelled out in the treaty itself was subject to negotiating supplementary technical agreements. Lots of negotiations took place. Israeli delegations flew to Cairo, and Egyptian delegations went to Israel, and they spent a lot of time working on these side agreements.

Certain things had happened. You began to be able to buy the *Jerusalem Post* at newsstands in Cairo, for example. And you could buy Egyptian papers in Israel, if anybody wanted to read them. And, of course, the border opened up. There was scheduled air service between Ben-Gurion Airport and Cairo Airport.

Q: I can't imagine any such exchange existing between, say, Damascus and Israel, and yet there was one being envisaged between Cairo and Israel. Is there a basic difference between the attitude of the Egyptians toward Israel than there is of the rest of the Arab world toward Israel?

ATHERTON: Well, my view has always been that the average Egyptian did not feel as personally passionately about the Palestinian cause and about Israel as did the average Syrian or Palestinian. There were, in Egypt, shadings of view, and still are. You had, particularly among the intellectuals, a strong sense of the pan-Arabism that Nasser had fostered. And they were the ones who were very upset at the isolation of Egypt in the Arab world and wanted to preserve Egypt's ties, and who therefore were resisting too much and too rapid a normalization of relations with Israel.

These were the people who, during the negotiation of the peace treaty, had wanted to link normalization of relations with Israel to progress on the other aspects of the peace settlement,

with the Palestinians in particular. And they had been overruled by Sadat, who had said we will go ahead and make our peace and normalize relations, and, while we will be seen to be working on the Palestinian aspects of the problem, we won't link the two explicitly.

The negotiation of all these things were in the hands of, to a large extent, the Foreign Ministry. And in the Foreign Ministry there were many people who in their minds felt there should still be a linkage. Although there was no formal linkage, in practical terms psychologically there was a linkage between the state of Israel's relations with the other Arabs and the state of Egypt's relations with Israel. And there was no question that the absence of progress on the other aspects of the peace settlement dampened Egyptian enthusiasm about normalizing relations.

Very few Egyptians, other than government officials, visited Israel for example. There were exceptions, though. There were some Egyptians who really wanted to try to make this work and got out in front of general public opinion, or certainly out in front of the approach that had been taken by some in the foreign ministry and some of the security services, for example.

There was no question that people who wanted to visit Israel had this put in their files. They were under special scrutiny, looked at with some suspicion.

But there were professors at the university who felt that they had something to learn and tried to form relationships with their counterparts in the Israeli academic world. The Ministry of Agriculture believed strongly that Egypt had something to learn from Israel, from its agricultural technology, and established some technical exchange arrangement which survived a lot of difficult times.

So there were exceptions, but the general attitude was: Let's go slow on the normalization of relations. Those things which we are required to do by the treaty, such as end the boycott of Israel and Israeli goods and Israeli people, stop putting Egyptians on the boycott list who deal with Israel. Open the borders to travel by land or by air. Those were all in the treaty and those all went forward. But other things, which were to be negotiated in the side agreements, somehow got bogged down. And to a large extent bogged down, I think, because the Egyptians didn't want to go too fast. They were making the linkage in practical terms.

But there was, as I said, a general sort of disillusionment within Egypt that the peace treaty had not been all that was promised, and some of this focused on Sadat. One heard Egyptian criticism of Sadat, that the peace was not the comprehensive peace that he had promised, that his freeing up of the economy had benefited a small group of people who had gotten rich quick at the expense of everybody else.

He also said he was going to liberalize the political sector, and I think, intellectually, Sadat did feel that Egypt had to build institutions of democracy and get away from the one-man authoritarian rule of the Nasser period. He was temperamentally not very much convinced, however, that anybody knew as well as he did what was good for Egypt. And so he was kind of a father-of-the-family, an authoritarian father-of-the-family.

And so democracy didn't flourish in the sense that many had been led to expect. There was more

expression of opposition, but Sadat occasionally would suspend the opposition newspaper, or there would be an occasional detention of some of his more outspoken critics. So it was maybe the beginning of a move towards establishing democratic institutions. A new constitution, a new upper house of the Parliament was established, a consultative council, the Shura Council, alongside the People's Assembly. So the groundwork was laid for a more institutionalized democratic government, but with Sadat in charge, it tended to be still a very personalized rule and very much a personal paternalism. I would call it paternalism verging on authoritarianism, with a little overlay perhaps of democracy. But institutions were beginning to develop.

Sadat began to turn more and more towards a crackdown on the opposition. He kept getting reports that there was more and more opposition, so his reaction was: "I'll show you who's boss around here."

Q: And who were the opposition?

ATHERTON: Well, they were mixed. Some came from the Islamic fundamentalists. He had given them a certain amount of freedom when he came into office. There was amnesty and he let out of jail a lot of the Muslim Brotherhood, who had been under lock and key during the Nasser period or underground, on the theory that they were the best defense against the Communists. He was more concerned about a threat that he perceived from the left, from the Communists. He saw communist conspiracies.

And, of course, it turned out that he had let the genie out of the bottle. The fundamentalists turned against him, because they wanted a regime that was run according to the precepts of the Koran, and he had, in fact, a secular regime. Mrs. Sadat was not the ideal of the Islamic wife, she was very public, and they had a rather elegant lifestyle as a family. Many of Sadat's friends were considered to be profiteering from the regime. There was clearly a lot of corruption, although Sadat personally I think was not involved, in that he never amassed a fortune, but he was tolerant of those who did. Their children married into some of the rich families that were tainted with corruption. There was an aura of corruption tarnishing the image of Sadat, the winner of the war, the peace-maker, plus disillusionment with the fact that the peace process had come to a stalemate, the economic miracle hadn't happened, they didn't have the democratic freedoms they expected.

The opposition was from the Islamic side, from the neo-Nasserists, those who regretted the end of the days of Nasser pan-Arabism, with Egypt the leader of the Arab world, and Arab socialism where you did not have the extremes of wealth that began to develop again under Sadat's regime, which reminded a lot of people of the pre-Nasser period, of the monarchy, of the privileged classes. And Sadat did, in fact, turn back some of the properties of some of the wealthy people who had prospered under the monarchy whose property had been sequestered during the Nasser period.

Q: Where did the military stand in this?

ATHERTON: Sadat had made sure that the military leaders were people who were loyal supporters. The chief of staff, who became the minister of defense and really got credit as the

architect of the successful military campaign against Israel in 1973, General Gamasy, was eased out by Sadat and was retired upstairs, in a sense, but he was definitely replaced. Sadat did not permit powerful subordinates. He had a very good civilian prime minister, who had some good ideas about trying to cure Egypt's economic ills, Mustafa Khalil, a very loyal supporter of Sadat, but eventually Sadat replaced him. He did not permit anyone to develop any sort of power basis around him. So there were lots of people who were disaffected.

And then you had the old intellectuals, who had become disillusioned with Sadat very early on, when he proposed his treaty of peace with Israel, in effect unilaterally, without going along with the other Arabs. They weren't opposed to the concept of ending the war, but they felt it should be in an Arab context and not a separate Egyptian context. People like Hassanein Haikal, who had been head of al-Ahram and one of Nasser's confidantes, had an early falling out with Sadat. And Haikal was one of Sadat's leading critics.

And then there were opposition political parties. Sadat had permitted what had been a one-party state to be turned into a limited multi-party state. There was an authorized opposition, and it had a certain amount of credence and could speak against the government in parliament, and it included some people sympathetic to the Muslim Brothers who were not legally allowed to have political representation; it had people who were socialists, some neo-communists, some neo-Nasserists. A lot of the intellectuals of Egypt were writers and journalists, and many of them, under Sadat, were not allowed to publish. They had been allowed to join the al-Ahram Center for Strategic Studies, and it became a kind of think tank and a place where all of the disaffected intellectuals gathered and preached to each other about the ills of the regime, but they couldn't get into print. There was definitely a limit on freedom of speech, freedom of expression. Though there was some; it was not totally proscribed.

What Sadat did do was to do away with some of the extreme measures. He did away, in effect, with concentration camps, with most of the abuses infringing on civil rights. The judiciary became again to a larger extent an independent body of government. And people who felt they were abused by the regime had recourse to the courts. So he did away with the police-state atmosphere of the Nasser period. People were willing to talk in private, without going out in the garden, to express their views, and in most cases felt that they didn't have to fear the arbitrary arrests or the knock on the door in the middle of the night or detention without trial. But there were exceptions. Occasionally, particularly when it came to dealing with some of the extremists in the Islamic movement, the niceties of law were not always observed. There were reports, and I guess continue to be reports of the brutality and tortures of the police interrogation methods. Most Egyptians however, even those who were critical of Sadat, will admit that the worst abuses, the police-state atmosphere of the latter Nasser period had been done away with.

Q: Could you give me some idea about your relations with Sadat himself, what subjects you brought up with him, what were your problems with him, how he reacted to you?

ATHERTON: Well, I suppose I saw Sadat more than probably any other foreign ambassador, because we were the principal, full partners, as Sadat used to say, in the peace process and in developing our strategic cooperation. Remember that we also had annual joint military maneuvers. Our military worked very closely together. We had big programs. We had an AID

program that eventually reached, on the economic side, close to a billion dollars a year, and a billion or more a year on the military side. So it was a very large program, and a lot of Americans involved in administering this program, some by direct hire and others by contract. Most of the day-to-day business was dealt with through the Prime Minister whom I would see very often, particularly when it was Mustafa Khalil, who was a very active and effective prime minister. On a regular basis I used to see the foreign minister and some of the other ministers as well, about some of the ongoing business, the bilateral business between the two countries. So I rarely had to see Sadat on bilateral matters.

There were some bilateral matters that had to be raised at the Sadat level, some of the policy issues having to do with our military cooperation with the Egyptians. And in that context, one of particular importance to our Navy was getting permission for nuclear-powered warships to transit the Suez Canal.

The Egyptians had a flat prohibition, because they were concerned about the safety of the canal. They were alarmed that there might be nuclear accidents and put the canal out of commission, and the canal was a major financial asset. The Navy had spent an inordinate amount of time sending delegations to Egypt and inviting Egyptians to come and visit our nuclear ships to show how safe they were, and how they were allowed into our harbors and why they should allow them into the canal. So I used to have to occasionally have to go to Sadat and make a major pitch on this issue.

Incidentally, Hermann Eilts was fighting this battle when I took over from him. And when I left and turned over to Nick Veliotis, he had to pick it up. Sadat always would say: "Oh, yes, in principle, I understand this. Go talk to my people about it." And then I would sit down and talk with the head of the Suez Canal Authority and to the various other parts of the bureaucracy who had some say in this, civil defense people and, heaven knows, there were all sorts of people in the Egyptian government who had some say about this issue, and this never got resolved. They never said no, but they just never said yes. That was a good example of the kind of issue.

I did make an approach a couple of times when we had high-level AID people there. I would always take them, or any other high-level officials, congressional delegations, AID officials, cabinet officers from Washington to call on Sadat; we had lots of congressional delegations. I always went to see Sadat with them. And they usually had something specific that they wanted to talk about - AID people perhaps said more than most, because of the size of our AID mission. Sometimes military people would come, and Sadat would always see them. We would have visits from the National War College, and he enjoyed seeing them and giving them his strategic lecture. So I would always take the War College people to see him.

He was very generous with his time. But these were not usually meetings to conduct business. There were occasions sometimes, usually the visit of a senior person who would go to Sadat with an issue that could not be resolved at a lower level; so I would sometimes use these meetings to try to raise an issue that meetings with the various ministers had been unable to resolve.

Also there were occasions to try to get his attention on economic matters. We had a really serious ongoing problem getting Sadat to focus on such matters as population, the need to do something

about the population explosion, family planning, the need to get him to think about economic reforms and try to get away from the enormous and growing subsidies, which was stifling the economy, artificially holding down the price level. Foreign investors had problems with the bureaucracy trying to get approval of a joint venture which could benefit Egypt. So I used to try to find occasions to go to Sadat and he'd always issue instruction to have them looked into, but they didn't always get immediate, and sometimes didn't get any results at all.

But for the most part, these dealings with Sadat were on matters having to do with the peace process, relations with Israel, with the status of the peace negotiations, that kind of thing. As I said, the day to day business was conducted with the respective ministries. And, of course, I didn't need to do all this personally. I had a large staff of very able people, AID directors, for instance, who conducted a lot of the AID business. When there was a particularly important policy issue pending, we would do it together. When there were AID projects to be inaugurated, it was always an occasion to get out and get my fingers on the pulse. So I did a lot of going around the country, officiating at the inauguration of various US financed projects: power stations, schools, all sorts of things. And that was a very good entre into the hinterlands. I had very good, first rate economic and political counselors, AID and USIA officers, all of whom knew their jobs. We had a very good country team. We all pulled together very well. When we had problems, they usually reflected positions in Washington, which is often the case.

But, as I was saying, this was a period when Sadat's image in the country had begun to lose its glow, and one got more and more intelligence reports of plots against the president's life. We had a good intelligence exchange between our intelligence people and the Egyptian intelligence people. The Egyptian intelligence and security people were in despair because Sadat really did not take kindly to be told that he had to be on his guard from the security point of view. He liked to appear in public. He did not like to be behind armor plate or armored cars or behind armored glass. He loved to ride in an open car down the street and wave to the people. And he just didn't really believe in his heart that his people were against him, that he was in danger, or if he did, he was very fatalistic about it. It was a sort of Islamic fatalism. If it happened it would be God's will. I'm the president of the people, I'm the father of these people. He used to personalize everything. "My canal." "My army." He really was a sort of father of his people, and while that made for a sort of authoritarianism, but it also made him feel that he didn't want to isolate himself. In practice, he was increasingly isolated in terms of people he would listen to. His circle of advisors was getting narrower and narrower. People who told him things he didn't like to hear somehow ended up being farther away from him.

And the military were loyal. The military in Egypt has never been politicized in the sense that it has tried to take over the government except at the beginning. It took over, obviously from the monarchy. But, on the other hand, it has always been a major factor. Everybody knows that if the Egyptian government followed policies that the military thought were detrimental to the basic security of the country, or to their own prestige, that they would probably find ways to try to prevent this. And, of course, it was no accident that all of the rulers of Egypt since Nasser have been military officers -- Nasser, Sadat, and now Mubarak. Even many of the civilians, who became ministers or governors in the provinces, or the heads of public-sector companies, were retired military officers. And, of course, this wasn't just the military feathering their nest, they were also some of the most able people. They have had perhaps some of the best training. The

military worked well as an organization. There were many of the institutions in Egypt that didn't work so well. But those that worked well worked quite well. The Suez Canal Authority, which was a civilian authority, though it had a lot of retired military people in it, was one of the best-run, efficient operations, that would be a credit to any country operating it, including the United States. They were very effective, efficient, good people. The military the same way. The military ran certain industries, defense industries. They were under the minister of military production, which was run by one of the ablest general officers I had met in any country. They had excellent people in the ministry. So that the military used to provide the resource people because of their education, their training, their ability to manage and to organize things, the ability to make decisions. They tended to be very prominent in the infrastructure of the government. And so there was this kind of symbiotic relationship between the military and the government, but it was not in the traditional sense of the power behind the throne. They were pervasive. And certainly Sadat and they were on very good terms, but he also did replace occasionally military whom he felt were getting too independent. I'm jumping ahead a little bit, but Mubarak in recent years fired the minister of defense and former chief of staff, a popular officer, because he thought he was getting too independent. There wasn't a gamble. You haven't heard much of him since. So, you know, the military does tend to stand up and salute when ordered to do something. But, on the other hand, the presidents had to be careful about what they ordered the military to do and not to do.

Remember, with the war with Israel over, the military was in search of a role, an identity for itself. The career of all of the people in the Egyptian military was spent preparing for the next war with Israel, and suddenly they were at peace with Israel. Meanwhile, though they still had to build against a contingency that the peace treaty might break down, it wasn't the same. One thing they did was to get more and more into civilian activities. They had their own construction programs, for example. They developed agricultural projects, producing a lot of the food for the military themselves, using military personnel and military resources. They laid telephone lines, they repaired roads, they built bridges. They did an awful lot of things that in most economies would be done by civilian agencies or the private sector.

Anyway, to get back to the main theme. Sadat was getting increasingly authoritarian and, some people would say, rather erratic, and over-reacting to some reports of criticism he heard, the gossip that they kept bringing to him. He was getting out of touch with the people he should have been listening to.

And then added to this was an outbreak of rather serious communal fighting between extremist Muslims and extremist Christian Copts. In one of the poorer sections of Cairo and in upper Egypt, in Assiut where there were large Coptic minorities, where there had always been some tensions between the two communities, but it got out of hand. In one of my more revealing meetings with Sadat, just before his last visit to the United States, which was in late summer of '81, he was coming over on one of his periodic visits to Washington, he said to me, "I should tell you Roy (he always called me Roy) that I'm going to have to be very firm when I return and crack down on some of these people that are trying to obstruct my program and make difficulties."

Sadat's attitude, I think in genuine frustration was: "I know what's best for the country. Why

don't they agree with me? I want democracy. I want a democratic society. But democracy does not mean the right to obstruct what I want to do." And he was always looking for some way to reconcile his authoritarian instincts with his intellectual commitment, I think, to the need to develop a democratic state. He could never quite reconcile the two.

Q: He thought what was best.

ATHERTON: He was really doing what he thought best. But he did say, "When I come back from this visit, I'm going to have to crack down very hard." I don't think any of us knew how hard.

When he came back (from Washington), one day he simply rounded up all the people who had ever been critical of him -- from extremists on the Muslim Brotherhood side to people like Haikal. Haikal was not a threat to him. He had them all rounded up and put in jail for awhile to give them a lesson.

He also at the same time moved against the Coptic pope, the head of the Coptic Church. He was a rather tough adversary, who took a very confrontational approach to relations with the government and the Muslim community. He felt very strongly about the need for the Copts to retain their historic position as the oldest community in Egypt. In any case, Sadat, in effect, exiled the pope, put the pope in a monastery in the desert and appointed a group of bishops to run the affairs of the church. So tensions were high in the opposition, even in the loyal opposition, even among the people who would never think of going outside the law but did feel that Egypt should respect the views of those who disagreed and permit greater freedom of expression.

Well, there was increasing tension but no sign of how it was going to be resolved, until it was suddenly resolved by an assassin's bullet at the October 6 parade, 1981, celebrating the October 1973 War, which Egypt had always celebrated as their victory. It was an occasion for a very large military parade. Each year all of the latest Egyptian military equipment, most of which was of American origin, passed by the reviewing stand in view of the public and dignitaries. There were flybys by airplanes, including acrobatic flights, all of which was viewed from the reviewing stand by visiting dignitaries from other countries, the diplomatic corps and military attachés. It was a big parade celebrating the crossing of the canal against the Israelis on October 6, 1973. There was some sense of foreboding in the atmosphere. There had been an authenticated aborted attempt to assassinate Sadat once before that. So one worried a bit. But because this was a military parade, it was controlled by the military and security was in the hands of the military. Our area was a secure area that people couldn't get into without credentials being checked. It was assumed that nothing could happen here.

I was there in the reviewing stand where the diplomatic corps sat. I was sitting with the British and Canadian ambassadors not too far from the Israeli ambassador plus the visiting delegations that happened to be in Cairo, including one, I think either Chinese or North Korean delegation that was further back in the reviewing stands. And in the center up front were Sadat and his cabinet and senior officers and other distinguished guests. I was behind them in the tiered reviewing stands. On the right were the diplomatic corps and the visiting delegations. On the left was the attaché corps and visiting military dignitaries.

We had two senior American generals in town at the time, who were guests of the military. One was the deputy commander in chief of the European command, General Smith. The other was General Kingston, who was the commander of the Rapid Deployment Task Force that became the Central Command. It was the command with responsibility for preparing against contingencies that might arise in the Persian Gulf. They were the ones under whom the joint military exercises took place every year. So General Kingston and General Smith were both there as invited guests of the Egyptian military; they were sitting down in the front section along with the vice president and all of the religious dignitaries; so our two generals were down in the area just a few rows behind Sadat. Their military aides were sitting with our defense attachés.

The parade went on and on and on, with occasional disruptions. A vehicle would break down occasionally and had to be hand maneuvered out of the way. There was one live demonstration of paratroopers who made a precision drop and came down in circles that were drawn on the ground in front of the reviewing stand. They came up and saluted the president.

There were flybys, and I did have one chilling moment, because in one of the very low flyovers, the planes came straight at the reviewing stand, then at the last minute pulled up. And I suddenly found myself thinking, "You know, what if somebody really wanted to wipe out the president, his whole government, and anybody else, if they had that mission and decided to do it, we would be perfect targets. . . ." Well, anyway that went on, and we all watched them fly away.

Near the end of the parade, along came the heavy artillery with their crews sitting in the back of the trucks pulling the heavy guns. One of them stopped in front of the reviewing stand. The crew scrambled out. Well, our assumption, and it was certainly Sadat's assumption was that this was going to be another one of these salutes for the president, as the paratroopers had been. They were going to come up to the stand and salute the president.

The president stood up to take the salute. We all were watching. And at that moment, suddenly hand grenades were thrown and automatic weapons were being fired. Clearly this was an assassination attempt at Sadat.

I didn't witness anything else, because, along with all of my colleagues, I was down, hugging the ground as fast and as far as I could. But there was a lot of shooting, and you could hear the shots. I could hear occasional bullets whizzing by. It was just luck who got hit and who didn't. A number of people in the diplomatic reviewing stands did get hit.

They were after Sadat, certainly, but they were firing at random to keep down any potential counter-fire from the security forces that might have protected us. As it turned out nobody did, because Sadat's own security had let their guard down, thinking that this was something that the military was in charge of and therefore they didn't have to worry. My security detail was several rows behind me in the reviewing stands. The Israeli ambassador had his security in back of mine, I guess. I had an Egyptian guard at the time, provided by the Egyptian government.

Anyway, it was total chaos. When the firing stopped we all stood up and looked down at the front. There was a jumble of chairs upside down. They had already carried Sadat out and gotten

into a helicopter that was standing by, and we heard the helicopter leave.

Michael Weir, who was the British ambassador, and I were side by side. With all that training as a political officer I immediately began seeing who was there, comparing notes. . . Is that Mubarak? Is that the minister of defense? Who isn't there? Who's been hit? Where's Sadat?

Sadat was nowhere to be seen. But we did try to get some impression of what the damage had been. We only learned sometime later that there had been 8 people killed in addition to Sadat and some 30 people had been wounded -- some diplomats, the Belgian ambassador, the Australian commercial officer, and one member of the Chinese or Korean delegation whom I remember seeing as I was leaving. He had been hit in his wrist, bone shattered-his hand sort of dangled. It was a pretty bloody scene.

Well, the assassins ran out of bullets, and they had no escape plan. I guess they expected to be killed in the process. They were all captured, and eventually they were tried, and several of them were executed. It was ascertained that this was an Islamic fundamentalist cell led by an officer in the army that had infiltrated the military, got military uniforms and used forged papers and substituted them for the crew of this artillery prime mover. This was that it was not in the main stream of the Muslim Brotherhood but was a spinoff, a group dedicated to violent overthrow and to establish Islamic rule in the country.

To them Sadat had become the personification of evil, because he had made peace with Israel, because of his lifestyle, because he was seen as anti-Islamic. He had done all the things that the Islamic fundamentalists disapproved of. So it was no surprise that there were extremists in the Islamic movement who were out to destabilize the regime, including by assassination and other acts of violence.

It wasn't the first time; there had been other attempts earlier in the Sadat period. There had been an attack on the military industrial training school in Cairo at one time.

The remarkable thing wasn't that the attempt took place, I suppose, as much as it was that this proved not to be a grass roots group; they didn't begin a groundswell of revolution or opposition to the regime. Even the disaffected didn't want this kind of violence for the most part. And so they didn't represent the mainstream of the Islamic movement. They didn't represent the mainstream of the Muslim Brotherhood, which had decided to operate within the law.

But the Islamic movement was not a new phenomenon. The Muslim Brotherhood and Muslim opposition to westernization or secularization of the regime dated back to the 1930s. They tried to destabilize the Nasser regime in the 1950s, and that was why Nasser had a number of their leaders executed and kept many others in jail. Sadat released them when he came to power, as a counterweight to the leftist opposition.

I believe that the brother of the leader of this particular group had himself been arrested by the Sadat police and the timing of the assassination may have triggered by this, but certainly the causes went beyond that. In any case, there was utter confusion. It wasn't quite clear whether Sadat had been killed or whether he had been wounded. We saw the vice president with a small

bandage, so obviously he was all right. The minister of defense had gotten a superficial wound, but he was all right too.

Probably the reasons not more of the leaders had been killed were twofold. First, the very first opening move was the throwing of a hand grenade. I was told later by the minister of defense it had bounced off his head. But the grenade didn't go off. And there was one man whose job it was to kill Sadat. We've seen some of the pictures of this. He was up, actually up, aiming the gun down, because Sadat by that time had fallen to the ground. Others were simply providing covering fire for the man whose job it was to kill Sadat. They were not targeting other individuals, but they weren't trying to avoid killing other people- and they did kill other people. But the target was clearly Sadat.

Anyway, the question was: How do we get out of here? By that time I was being urged by my security detail to get away. Somebody had organized the diplomatic cars, which had been parked out behind the reviewing stand, and gotten them into some kind of order. I went and found my car and driver, and we headed back to the embassy.

I had a radio in the car which not many of the other ambassadorial cars had, so I was able to get on the radio as soon as I got in the car and called the embassy and talked to the DCM, Henry Precht, who was at the Embassy. I knew my wife was going to be watching the parade on television at the embassy. She had turned down an invitation to sit in the ladies' reviewing stand with Mrs. Sadat, up behind where the president and all of us were. She was watching this at the embassy; so I said, "Please tell Betty I'm all right. Tell everybody I'm on my way back". I told Henry it looks here as though it was a single assassination attempt. We couldn't tell at the time whether there was a follow-up plan or whether there was going to be an attempt to take over the usual targets: military headquarters, television stations, and so forth. So he'd better get a team and get people scattered around to do as much reconnaissance as possible. Well, Henry had already started doing these things.

I learned later from Betty what went on at the embassy while they were watching the parade on television. Suddenly the screen went crazy, and it was clear that the cameras were pointing in the air and in all directions. Henry just said right away, "Something's happened." He got on the phone and opened a line to the operations center in Washington and said, "I don't know what's happening, but clearly something is happening that is very serious. . . keep the line open, and we will report to you as soon as we get some facts." So we were able to get to Washington pretty early and report that there had been an assassination attempt. I was all right. I didn't know yet whether the president was alive. There were others who saw some bodies down there, but they weren't the president's. The senior bishop of the Coptic Church was killed. Then we had to worry, are all the Americans accounted for? By the time I got back to the Embassy the two general officers had arrived. They had been down in the reviewing area but had escaped any of the bullets. They were worried about their aides, who had been sitting in the reviewing stand. Well, we had to find out what had happened to the military aides; we had to establish a task force; we had to get word out to the American community; set up an information center to answer the inevitable questions. Is this something to be worried about? Is it the beginning of a revolution? Is there going to be disorder and chaos?

Our initial reporting was that it looked like an isolated event, no indication that there would be a follow-up or trouble anywhere else. The Egyptian radio and TV were showing films at that point, and playing light music and no news at all was coming over. We assumed that meant that everyone in the government was getting themselves together to try to take stock of what had happened and let everybody know who was in charge. I had a phone call from Mrs. Reagan who wanted me to talk to Mrs. Sadat. I said I would convey a message to her but I wouldn't be able to see her that day. Mrs. Reagan wanted Mrs. Sadat to know that she was very concerned.

Then, the most bizarre phone call was one from the minister of defense, Field Marshal Abu Ghazalla, who had been the military attaché in Washington and was considered very much a friend of the Americans, one of the strong advocates of U.S. military cooperation. He phoned me and said, "I just want to let you know that everything is under control in the country, the government is meeting, and the president has been seriously wounded but it is not life threatening." I had no choice but to accept that until we had evidence to the contrary.

And at that point I had a telephone call from former President Carter. He wanted to know what had happened to his friend Sadat. And I said, "All I can tell you is that there has been a serious attempt on his life. He certainly had to have been seriously wounded by all of the fire, but I have just been told by the minister of defense that he wasn't killed." This is in Carter's book, that he had been reassured by my report.

There was a period of almost seven hours, between the time of the assassination attempt and the time the Egyptian government announced the death of the president, when we were still in doubt. We kept getting urgent requests from the American press corps to confirm that the president had been killed. And I said, "I can't. We are waiting for the Egyptian government to announce it. I can't announce it." I got a certain amount of criticism in fact, from the press corps, that we were behind the power curve on this.

The CBS correspondent, a woman correspondent, whose name I've forgotten, was the first to go on the air and announce that the president had been killed. And, of course, we were asked to confirm it. And my response was that it was not up to the American ambassador or the American government to announce the death of the president of Egypt. It was up to the Egyptian government.

I later learned that she (the correspondent) was outside the military hospital in Maadi, where the helicopter had taken Sadat, and had taken Mrs. Sadat too. The correspondent had gotten hold of a doctor coming out of the hospital, one of the surgeons or an assistant. She had said "What about the president?" And he had said "He's dead". And so she went on the air and announced it. But it was not official.

We told Washington not to confirm it, but that they should be prepared. And then the radio and the TV began to play and chant verses from the Koran. I tried to call the family; I tried to call the foreign minister, and I tried to call various other people in the government. I kept being told that they were all at a meeting. And, of course, they were. They were having a meeting at senior level of government to make sure that authority was maintained. The radio came on and announced that Sadat had been killed, that the government was intact, order would be maintained. Everyone

should remain calm. So we had our confirmation - about seven hours after he had been killed.

Mubarak announced that the constitutional procedure would be followed. Under the constitution that was then in force, the vice president was not an elected official. The president was elected by the parliament and then confirmed by a general referendum.

The president in turn appoints the vice president. He is not elected, and he does not automatically succeed to the presidency.

The speaker of the People's Assembly becomes the president ad interim. So a very senior, amiable, professional politician, Sufi Abu Jalah, who was speaker of the Parliament, became president of Egypt through that interim period, after which parliament would elect a new president.

Well, I did get a phone call soon thereafter from if I remember correctly Kamal Hassan Ali, an old friend, who was one of those loyal, intelligent, able servants of the state. He was a career military officer. He had been head of general intelligence. He was a war hero. He had been an artillery officer in the '73 War, and he had a good war record. He had been named by Sadat to head the Egyptian delegation to the peace treaty negotiations in Washington after Camp David. He had been made foreign minister. At some point he had also been minister of defense. At this point he was foreign minister. He did finally get to me. He was the first senior Egyptian I was able to talk to, as I recall. He later became, for a period, deputy prime minister. Kamal Hassan Ali confirmed that everything was under control. There had been some uprisings in Upper Egypt where there were attacks on police stations by Islamic fundamentalists. It was not at all clear that they were coordinated or whether they were spontaneous attempts to take advantage of the situation. And there was some unrest in some parts of Cairo, but very local and very quickly contained.

And the government functioned as the constitution provided. The establishment rallied round and announced that all the members of the government, and the government party in Parliament, the Peoples' Assembly supported President Sadat's choice of Mubarak, and therefore he was the only candidate when the Parliament voted to elect a new president. Unlike when Nasser died, when there was a power struggle and it took several months for Sadat to emerge on top as the ruler of Egypt. Mubarak, upon whom Sadat had laid hands, was chosen without opposition. The whole mood in the country then, and even of those who had been basically opposed or were becoming increasingly disenchanted with Sadat, was that we don't want unrest in this country. We want an orderly transfer.

I think perhaps one of the best insights I had was from a very senior Egyptian, retired by then, but formerly foreign minister and senior diplomat - a good friend of ours. He came to call on me at the embassy a few days later and said: "I think we have to say that out of something bad (Sadat's assassination) something good can come."

Before I go on, I'd like to just add a footnote to what I said in the last segment about the Sadat assassination. I mentioned that two very senior American generals were there as guests, and the guests were sitting up behind Sadat, and both of them escaped somehow unscathed from the hail

of bullets. What I forgot to mention was that each of them had a military aide. And the aides were sitting in the military part of the reviewing stand, with our embassy military attaché people and other officers from the Office of Military Cooperation. Both aides were hit. Neither one fatally, but they both had rather severe bone injuries, from bullets which were flying around at random. And in addition to all the other problems that we had after the dust had settled and I got back to the embassy and we began to try to organize the reporting to the department, and finding out what was going on, and information for the American community and all that, we also had to try to locate the two aides. We did not know where they had been taken. The Egyptian medics were very quick, and I give them full credit for being on the spot and taking all the wounded that they could find, and there were quite a few, there were thirty or more injured in various degrees of severity, Egyptian and foreign. It took quite awhile to finally locate them at the hospital where they had been taken. The concluding chapter was that they were given absolutely first-rate attention by Egyptian orthopedic surgeons. When they were finally medevaced back to US military facilities in Europe, the American medical people were full of praise for the surgical treatment they had had, which really probably made their recovery -- not easy, because they had severe problems -- but less complicated than it otherwise would have been.

Anyway, on to the funeral. President Reagan announced that he was going to send a very special, high-powered delegation to Sadat's funeral, in honor of our high respect for Sadat. The delegation consisted of three former presidents -- Nixon, Ford, and Carter; a former secretary of state, Henry Kissinger; a large congressional contingent, the chairmen of both Senate and House Foreign Affairs, Foreign Relations Committees, minority members; a large press delegation. Anyway, it was a very big delegation. Oh, and also the chief of protocol, Leonore Annenberg, and Jeane Kirkpatrick were there, our representative to the United Nations. So it was a very top-heavy delegation.

There was a certain amount of jockeying for who was senior. Well, the person in charge, of course, was the secretary of state. The head-of-delegation was Al Haig as secretary of state, in charge of the former presidents and in charge of Henry Kissinger. And it made for some very interesting personal, temperamental sort of footnotes to the funeral.

Q: I think perhaps Haig enjoyed it.

ATHERTON: Well, he certainly didn't make any attempt to conceal the fact that he considered that he was in fact in charge. He is famous for saying "I'm in charge".

But the real problem was there were two airplane loads of people including the press and the staff assistants and the secretariat people, security and communications people. The Egyptians, in announcing that there would be a state funeral and that they would provide accommodations for delegations, said that they were taking over one hotel. I can't remember now which, but it was one of the larger hotels in Cairo, and that they were going to assign a suite and a couple of other rooms to every national delegation. And when we told them the size of our delegation, they blanched. What they finally did was take over two hotels. One hotel out near the airport, dedicated entirely to the American delegation. And another hotel for all the other delegations from all the other countries.

The funeral was well organized. The Egyptians really do these things rather well. They are good at protocol, they have good people. Most of the senior people in the presidency who had the job of pulling this together were themselves retired military officers, with the training, the discipline, and the sense of organization that were part of their professional career. So they did do quite a good job of getting it organized.

It was a very strange kind of a funeral. In fact, it was a strange kind of mourning period. There was no outpouring of popular grief after Sadat's assassination. The city was very strangely muted; the country was strange. There were some outbreaks of violence, some local incidents and instability, anti-government, to build on the Sadat assassination in some parts of Cairo and in some parts of Upper Egypt, none of which was difficult to contain, although there were some casualties in the process. But the general feeling was that perhaps best expressed by the very senior and certainly patriotic former Egyptian official that I saw not long after. I was trying to get some sense of why there was such a contrast with Nasser's death. When Nasser died, there were mobs in the streets and tremendous demonstrations of public grief throughout the whole Arab world, and certainly in Cairo. It was well documented on television that it was really out of control at the time of Nasser's death. There was none of that. Now one explanation was that the Egyptian authorities were concerned that Sadat had died in a totally different way than Nasser. Nasser had had a heart attack and had died and had left an obvious vacuum. Sadat was assassinated, and the government wasn't sure whether it was going to be the beginning of a chain reaction of events, and therefore there was more security and the people were intimidated. But I think the more likely explanation was that in fact Sadat's popular base had badly eroded by that time.

And, as I have said, the very senior former official and friend of mine, whom I had talked to -- and I talked to a number of people trying to make some sense of what the public mood was -- summed it up well. He said, "Well, perhaps out of something bad, something good will come."

There was a feeling on the part of many people that Sadat, in those last months, overreacted to signs of opposition, expressions of opposition from disparate groups concerned about the economic situation about reports of growing corruption, or about the fact that the peace process had bogged down, had not brought the promised economic miracle, and Egypt was isolated. But, in any case, Sadat had begun to crack down and reverted to some more authoritarian methods, and some of the freedoms that had been given for public expressions of dissent were really being reversed.

So there was no great popular outpouring of grief at Sadat's death. You might almost say some people found it a relief. It relieved tensions. They didn't know quite where Sadat would go next, where the country would go next. They had a foreboding that there was internal tension building up, and there was conflict among different elements of the population. They were isolated in the Arab world. There was just a sense of public malaise in those last weeks of Sadat's regime. Not that the people who felt this way advocated a violent solution. Most of them were appalled. I think most Egyptians did not think that this was the Egyptian way to solve their problems. They are not a violent people as some other countries are. They genuinely wanted to see stability maintained. There was very little attempt to exploit the situation and destabilize the transition to a new government.

The transition went very smoothly. As I mentioned, it followed the constitutional provisions. The speaker of the People's Assembly became acting president under the constitution until the Parliament could vote and elect a new president. The president was elected by the People's Assembly and not by popular vote, although there was a referendum afterwards.

So the person that actually received the condolences from the various delegations to the funeral was, in the first instance, the speaker of the Parliament. Everybody of course knew that Sadat had appointed Mubarak as vice president, and all the indications were that nobody would contest the election of Mubarak as president, that he would be the next president. It was taken for granted that the constitutional procedures would be followed. But there had to be some delay before that vote could be taken, so Mubarak was not actually president at the time. He was still vice president at the time of the funeral though he clearly was prepared to be leader of the country. So the delegations called on the speaker of the Parliament first, and then they called on Mubarak.

In any case, the funeral went off without incident. It was very tight security. Remember, among the heads of government who came to the funeral was Menachem Begin, the prime minister of Israel, with an Israeli delegation. It was a typical Muslim funeral. Everybody marched, walked in the cortege behind the casket.

It took the same route, incidentally, exactly the same route as the military parade had taken, right past the stands where Sadat was assassinated, where the ladies, who were not taking part in the Muslim funeral, were sitting. It is just the men who march. The ladies, Mrs. Sadat and friends of the family and other ladies including Betty, my wife along with Mrs. Mubarak, who would be the new First Lady, were all sitting in the stands where the president had been sitting when he was assassinated.

The reason for this route was that the burial was to be in a mausoleum right next to the tomb of the unknown soldier, which was right across the street from the military reviewing stand. That's where Sadat is interred. It was a very simple ceremony. There was a receiving line, and there was a certain amount of chaos. Everyone was trying to pay condolences to Mrs. Sadat. Her family were all there.

There was one little footnote, which was rather interesting, because we had two senior ladies in our delegation: Jeane Kirkpatrick and Lee Annenberg, ambassador to the UN, with cabinet rank, and the chief of protocol. And the question was raised: Shouldn't they be marching in the procession with the rest of the members of the delegation? All the rest of them were men. And it fell to me, as part of the briefing, to deal with this. I felt a little bit strange briefing three former presidents, Henry Kissinger and all these other people, but it was my job as ambassador explain the customs of the occasion. And the question was raised: Should the ladies not be marching? And I had to say that I think that really we should follow Moslem customs, follow the customs of the country.

Q: How did you determine precedence among three presidents?

ATHERTON: Oh, they knew that themselves. Nixon was clearly the senior. No doubt about that. He knew the precedence.

The ladies accepted this, although there was a certain amount of discomfort about it. I remember Jeane Kirkpatrick saying "Well, if I see any other ladies in this parade, I'm going to be very unhappy." As it turned out, one of the senior members of the French delegation insisted that his wife walk with him in the funeral parade. That caused a little bit of unhappiness, but I still think we were right in following local custom in this.

There was a dinner that evening for all members of the American delegation and the American Embassy at the hotel where the American delegation was staying; an in-house dinner, with three presidents, each making remarks. It was interesting, because each took a very different tack. Nixon spoke first as the senior ex-president. And he spoke in terms of the man with the most experience who had been in the House, who had been in the Senate, who had been vice president, who had been president, how he had been through all of these things before. He took the high road as the sort of world statesman in his remarks. But he was the only one of them who paid a tribute to the embassy personnel and the men and women of the Foreign Service for their role in all of this.

Gerry Ford gave the most low-key of all of the presidential remarks, rather general, but recalling his own association with Sadat and his part in the peace process.

Probably the most personal, recalling his special relationship, were Jimmy Carter's remarks. His were very personal, about his relationship with Sadat, the relationship between the Carter and the Sadat families.

It was not a gay occasion, but it was a relaxed occasion, and the presidents all agreed to have their pictures taken, endless photo opportunities. They had their pictures taken with various members of the staff, all of them delighted to have pictures taken of themselves with the presidents.

And then it came time for the delegation to depart. Kissinger was going on somewhere else. He wasn't going back with the others. I think he was going on to some other part of the Arab world. So you had, on the plane the three presidents. I went aboard to see them off. It was interesting. Without any hesitation, Ford and Nixon immediately moved into what was the presidential compartment of Air Force I. They took over without question the section of the plane which had always been theirs. The Carters were sitting at a table down in the general seating area of the airplane. So the touches of protocol were quite apparent. They all had a sense of where they belonged.

Q: No one managed it.

ATHERTON: Well, I assume this was managed by the White House protocol people who had been sent along.

Q: Did they have separate menus?

ATHERTON: That I don't know, because I didn't go on the airplane with them. But it was a very strenuous period, in fact, to get through without serious incidents.

Q: And they were there how long?

ATHERTON: It seemed like months. I think it was really about three days, or maybe it was two nights. And, of course, this involved, in addition to calls on the vice president, there were calls on Mrs. Sadat. And that was a rather emotional experience, especially for Henry Kissinger. He got all choked up in trying to make his remarks, because she was there with the children, and he had gotten to know her and the kids pretty well during the shuttles. And it was a very personal experience, and he clearly was deeply touched. The Carters had the same experience. Mrs. Carter was the only spouse of the senior people in the delegation.

After the main parties had left, the secretary stayed behind for some more substantive consultations with Mubarak about the future. And also there were some military people. I remember the Army chief of staff, General Smith, I think. I can't remember for certain. Anyway, he stayed behind and there were consultations among the military. And the main thrust was concerned -- I thought a rather exaggerated concern, of Haig and of the military people accompanying him -- that this was going to begin a period of instability, and what could we do to help stabilize Mubarak's regime and ensure that the peace process continued as it had under Sadat.

It developed that they were very suspicious in fact that the Egyptians would not stick to their word, and that once the Israelis had withdrawn from the Sinai, they would then reassert their old belligerency toward Israel. I did my best to convince them otherwise -- that Mubarak, as he said, was genuinely committed to carrying on Sadat's policies, which were peace with Israel, good relations with United States.

And it turned out that we were right, but there was an undercurrent of concern. One of the moments of testing -- the assassination was October 1981 -- would come in early 1982, which would be the final Israeli withdrawal from the last third of the Sinai Peninsula, three years after the peace treaty was signed. The treaty provided that the final third would be turned over to the Egyptians in the spring of 1982. And as the time grew near, some Israelis became more and more stressed at the thought of giving up this last bit of territories they had always seen as a buffer of security during all these years since the 1967 war. And the Egyptians were concerned that it might not all go off on schedule, too.

So what happened was that the administration decided it needed to appoint somebody to help mother this through and keep both sides calm. And the person chosen for that was Walt Stoessel, who was then deputy secretary of state. And so Walt Stoessel, with a very small delegation, came out and actually spent quite a bit of time shuttling back and forth between Israel and Egypt in those days, and dealing with minor crises that kept coming up.

Not all were so minor. One of the principal problems was who was going to fill the vacuum, who was going to perform the peace-keeping function, which the treaty said had to be performed, in

the Sinai. There had to be a peace-keeping force which would ensure observance of the demilitarization and limited armament provisions, and settle disputes only in the various zones in the Sinai under the treaty. There was to have been a UN force, but the Soviets made clear that they would not tolerate this and they would veto any attempt of the UN to establish a United Nations force. They had opposed the peace treaty and were supporting the Arabs who had rejected the peace treaty.

So, in the end, we had to go to the fallback, which we had committed ourselves to do in the treaty negotiations, which was for the United States to take the responsibility of establishing an international peacekeeping force, outside of the framework of the UN, which took on the name Multinational Force and Observers. It had a dual function, the peacekeeping force and also observing compliance with the treaty. And that had not all fallen into place. That had to be put together on very short notice. That was one of the things Stoessel was working on, getting agreement with the Egyptians and the Israelis for the composition of this MFO, with an American civilian as Director General. A general from Norway was to be the commander, and the forces were multinational. The biggest single component was American, elements of the Ninety-Second Airborne. And they are still there today as part of this force, but there are also other nationalities: Latin Americans, some Europeans, Australian, Fijians. It was quite a combination of forces we were able to put together.

It did all, in effect, fall into place, despite the stress, concern and nervousness on the part of both sides. But the final moment arrived when Israel literally would leave all of Egyptian territory.

Another footnote is that Israel did not leave quite all Egyptian territory, it stayed in a little enclave called Taba at the northern end of the Gulf of Aqaba, which it claimed did not belong to Egypt, and that became one of the issues that had to be dealt with in the last days of the withdrawal. It was one of the principal things that Walt Stoessel had to negotiate.

He had some very able help from Mike Sterner, who was also sent out from the Department to help get this all together. But they had to negotiate an understanding that Taba would be dealt with under the provisions of the peace treaty which provide that if negotiations didn't work, then there would be conciliation and if necessary a resort to arbitration. And it took years, quite a few years after that, until finally it could go to arbitration. And the arbitration found that the Israelis' claim had no basis, they had not claim to the disputed territory, and it was finally turned back to the Egyptians.

Q: Is Taba directly adjacent to the town of Aqaba? Where is it?

ATHERTON: It's directly adjacent to Elat. It's on the Egyptian side of the Gulf of Aqaba, and the Israelis considered it kind of an extension of Elat. One of the problems was that during the occupation, the Israeli government had authorized a developer, I think it was an Israeli developer with international participation, to construct a very large tourist hotel on one of the best stretches of beach along this part of the Sinai coast. It was developed to be a resort. It was an American hotel chain, though not one of the big ones. I believe it was Sonesta Hotels. The beach really became an extension of Elat. Elat was overcrowded as a tourist facility. This was to be an attraction for tourists in Israel who could enjoy the amenities of a European-style vacation at the

head of the Gulf of Aqaba.

It took, as I say, several years, but eventually it was resolved by the provisions of the peace treaty, and the Egyptians now have it. The Egyptians now have the hotel, with special arrangements for Israelis to be able to cross into that area, with fewer formalities than if they were going to other parts of Egypt. So that was a footnote.

But on the whole, the withdrawal and the putting into place of the final arrangements for peacekeeping and observation worked out as foreseen. And Mubarak turned his attention to what would be the future policies of his government. He was very interested, we had very close consultations on this with the Egyptians, to reinforce their declared intention that the government would not change course and would remain committed to Sadat's commitment to peace with Israel, the treaty, Camp David Accords, and a strong Israeli-US relationship.

But there were nuances of difference. Mubarak was much less strident in his rhetoric about the other Arabs. He began to signal that he was interested in trying to repair Egypt's relations with the Arab world, which Sadat had not paid much attention to, and in fact he had taken a sort of pride in antagonizing the Arabs when they objected to his making peace with Israel. So Mubarak said he was prepared to make up with the Arabs but not at the expense of peace with Israel. They would have to accept Egypt as it was. While he would like Egypt to rejoin the Arab world, it was up to the other Arabs to take the initiative. Egypt was ready. He toned down the rhetoric and tried to make it easier for other Arabs to do this.

There was also a tendency to be a little tougher in the tone of his relationship with the Israelis. Sadat tended to give the benefit of the doubt to the Israelis. And it became increasingly difficult in those days for the Israelis to continue negotiating, or to move towards the kind of normalization of relations that they had wanted. All of the arrangements for banking facilities, or trade or cultural exchange, tourist exchange, were slowed down; the atmosphere was not as hospitable. It had never been exactly warm, even under Sadat, because while Sadat did his best to prod his bureaucracy, there was lots of resistance to moving too fast towards building normal relations with Israel while Israel was still in a state of war with all the other Arabs. This was going back again to the linkage which existed between the state of Egyptian-Israeli relations and the state of Israeli relations with other Arabs. Even though this was not a legal linkage or a formal linkage, it was certainly there politically. And there were lots of people in the Egyptian establishment who wanted to keep the Israelis a bit at arm's length as a reminder that they had unfinished business and that things wouldn't really be normal until Palestinians were satisfied and the other Arabs were given an incentive to make peace as well.

An attempt was made to move the autonomy talks forward, that had conducted first by Bob Strauss and Sol Linowitz, and then under Reagan by Dick Fairbanks, who tried to move toward some understanding on self-government for the Palestinians in the occupied territories as a step towards engaging them and the Israelis in the peace process. And those talks went on, but they moved very slowly and they were making no real progress until the next major dramatic event that affected the relationship with Israel and really ended the autonomy talks. That was in June of '82 when the Israelis launched their military invasion of Lebanon.

And that came as a bit of a shock to those in Egypt. There were some who were trying to persuade their colleagues that they really had to do more to put flesh on the bones, if you will, of the Egyptian-Israeli treaty. There were some professors who talked about joint projects, an amendment to the US foreign assistance act which set aside a certain amount of aid to Egypt and Israel in a regional fund which would only be used for joint projects. It was to be an economic and financial incentive for Egypt and the Israelis to come together in economic cooperation. And some projects developed under this, in fact. So there was some movement.

I can remember the one thing that really dramatizes the negative impact of the outbreak of the Israeli invasion of Lebanon on Egyptian-Israeli relations was the fact that finally, after laborious negotiations, it had been agreed that there would be in downtown Cairo an Israeli trade promotion office. And it would be opened with some ceremony. The Israeli minister of industry was in Cairo, there had been a reception where Egyptians and Israelis were talking about trade, and they were going to find ways to cooperate in trade and trade promotion. And the Israeli invasion of Lebanon just finished it. It literally happened, I think, the day that the ribbon-cutting ceremony for this new office was to take place. That ceremony never took place and the office never opened. That was just symptomatic of the cold-water effect that the Israeli military action threw on the peace treaty.

In some ways, that became a turning point. Many people have argued that this relationship wasn't going anywhere anyway. I'm not so sure. I have a feeling that at least there were some people in Egypt who were committed to trying to make it work better, this relationship with Israel. They may have been a minority, but there were some. After that, they didn't speak up. They really couldn't speak up, particularly when the television began to show that Israel was not just going in to sanitize the border and get out as Israel had originally announced. When the Israelis advanced all the way to Beirut, the bombing of Beirut was in the papers but also on television, night after night after night, pictures of Israeli planes bombing the city of Beirut. And that really made it very difficult. I remember one senior Egyptian who was quite committed, he was probably the most committed of the Egyptians, and he was in the cabinet - he was trying to work out cooperation at the technical level, for their mutual benefit. He said to me when I asked him how this was affecting him, "Tell your Israeli friends they have gone too far." He felt, I think, genuinely disappointed, because he felt there was something in this cooperation whereby Egypt would benefit.

Mubarak did, to his credit, keep a small Israeli agricultural technical consultative team which had already been established to work with the Egyptians on some sort of agricultural research project in the delta. He kept them there through this whole period. They kept a very low profile and stayed out of Cairo. But that project went on right through this tense time. It was one of the few. I think there were some archeologists who were brought in as well.

But for the most part, the numbers of Israelis coming to Egypt and the number of Egyptians going to Israel [which was not very large in any case] virtually dried up. And there were just one or two senior Egyptians whose responsibility it was to keep the channels open with the Israelis. They were the points of contact. One of these was Mustafa Khalil who had been prime minister during the final stages of negotiation of the treaty. He was quite committed as a result of this treaty. And he managed to keep his channels open and receive an occasional Israeli visitor. The

other was Boutros Ghali, who was minister of state for foreign affairs, who had also been the deputy head of the Egyptian delegation which negotiated the peace treaty. And they managed to keep their channels open. But mostly, their channels were to the Israeli Labor government, not to the Likud Party in power.

Q: Tell me, were the Egyptians particularly angry with the Israelis for driving out the PLO from Lebanon? Was that a factor, or was it just the point of going in and destroying this city of Beirut?

ATHERTON: No, I think it was -- the Israeli objective was to drive the PLO out of Lebanon. If possible, to defeat it totally and destroy its bases and its infrastructure. The Egyptians were never emotionally committed as some of the other Arabs were to the Palestinian cause. But they were committed to the precept that Egypt was an Arab country, and Egypt could not stand by and pretend it didn't matter when other Arabs, even if they were Palestinians, were being clobbered by the Israelis. The Egyptians were not great supporters of the hard line, rejectionist PLO position. They thought the PLO should have joined the peace process and brought the Palestinians into the peace process. But still, they could not be seen to be siding with the Israelis when the Israelis were invading an Arab country and bombing Palestinians. So their cry was: Get this over with quickly and get out. The longer this goes on, the more difficult it is for us to hold the line in terms of our relationship.

Up to this point, despite pressures from the opposition and a big argument internally, Mubarak had not even withdrawn the Egyptian ambassador from Israel. Many people had argued he should sever relations, not just withdraw the ambassador. And there was great pressure to break or suspend diplomatic relations. There were even a few extreme voices in Egypt saying that Israel had violated the peace treaty, in effect, violated the treaty by going to war with another Arab country. That really would be a stretch of the treaty, of course.

But Mubarak held out against all of these factions until the massacre of Palestinian civilians in the refugee camps. Though it was carried out by militant Christian elements in Lebanon, clearly it was done in an area where the Israelis were in control. And the impression was that it could not have happened if the Israelis had not been permissive and let it happen. And that caused such an outcry that Mubarak then recalled his ambassador. And that's all he did. He didn't close the borders, airports. El Al continued to fly into Cairo Airport, and Egyptian airlines continued to fly into Ben-Gurion Airport. There wasn't much substance going on, but the formalities of the peace treaty continued to be observed.

This was also the time when there was a change in the American secretary of state. George Shultz became the new secretary of state. He tried to deal with the crisis in the Middle East, including the war in Lebanon and the increasing reaction against the United States in public opinion in the area, including in the streets in Egypt. Many Arabs assumed that we closed our eyes to the Israeli attack; there were many who thought that Secretary Haig had given his tacit approval.

Shultz activated his good friend, senior diplomat and trouble shooter Philip Habib, to go out and try to negotiate a solution to the problem, which meant basically trying to prevent, as it turned

out, the total annihilation of PLO. What he was trying to do was to negotiate a departure of the PLO from Lebanon and find places for it to go. This is when the PLO set up its headquarters in Tunis. It was really a way of demonstrating that the United States had some sympathy towards the Palestinians and that it was not entirely on the Israeli side. This ran quite counter, of course, to what the Israelis wanted and what Sharon and Begin had in mind.

There were two sorts of peace initiatives launched. One was the announcement of what became known as the Reagan Plan -- basically a statement of the American position on getting Arab-Israeli negotiations going again. And it was also part of the effort to defuse the reaction against the United States and correct the image that we were totally behind Israel, by putting forth a peace proposal with something in it for the Palestinians and for the Arabs. It wasn't a bad plan, on paper, but it was launched in a situation where there was no context for it to take hold, there was no atmosphere of receptivity in the area, and there was no follow-on. And it never did take off. It was just out there for people to pick up when they wanted to.

There was also George Shultz's effort to negotiate an agreement between the Israelis and the Lebanese. It would not bring Lebanon into the full peace, but at least it would end the state of belligerency between Lebanon and Israel, and it would lead to an Israeli pull-out from Lebanon, as a part of the package.

Shultz came out to the area and with Phil Habib as his principal deputy, and others working on his team, tried to hammer out an agreement between the Lebanese and the Israelis that would defuse the situation and, if it worked, would take Lebanon out of the Arab-Israeli conflict.

Now there was a separate negotiation going on in other channels directly between General Sharon and the Lebanese Maronite leadership, which was designed to really create a Christian Lebanese enclave that would become not just a non-belligerent but would become almost an ally to Israel.

Anyway, all of this was running against other currents in the area, certainly the Syrians were opposed.

Q: During this time there was this terrible civil war going on in Lebanon, right?

ATHERTON: There was all this time a civil war. This is all against a background of fighting between Moslems and Christians, and Christians and Palestinians, and between Palestinians and Moslems at another point. Syrians in large numbers had been there since 1976, as part of an Arab League effort to end the civil war, sometimes behind one side and sometimes behind another in the conflict. And, of course, you also had the pro-Israeli Christian forces in a zone along the southern Lebanese border adjoining Israel, which was really an extension of Israeli control over southern Lebanon through Christian forces on Lebanese territory, to provide a buffer against terrorist attacks into Israel across this border from Lebanon.

I think it's important to note that the declared intention of the Israelis, as they announced it, was to put an end to the threat of Palestinian terrorist attacks across the border into northern Israel. The problem with this rationale was that there hadn't been any terrorist attacks for some months.

Phil Habib had been out on an earlier mission and had negotiated, in effect, a cease-fire that had stopped these attacks across the border. But there was in Israel a faction, headed by General Sharon, who really wanted to go in and try to clean the PLO out of Lebanon. But he couldn't just announce that, so they announced Operation Peace for Galilee, even though the evidence was that there had been no terrorist attacks in some months. It was almost a year since Phil Habib had negotiated the cease-fire.

The trigger, and this was one of the real ironies, for this attack, was the assassination attempt against the Israeli ambassador in London. And the Israeli government said: You see, this is a terrorist attack against Israelis, and the Palestinians will have to be punished.

So that was the proximate cause of the launching of the Israeli invasion, an attempt to assassinate the Israeli ambassador in London by a Palestinian. The only problem was that the Palestinian group that did this was a renegade group which had been long since kicked out of the PLO because they failed to observe PLO discipline. It was not a PLO group, it was an anti-PLO group of Palestinians. And yet it was used as an excuse to really try to topple the PLO in Lebanon.

Well, there was lots of opposition to such a Christian Lebanese-Israeli peace, including factions in Lebanon that were not happy with this. And George Shultz, who was pushing ahead, thought the elements of the peace were all worked out. I can recall at one point during this period he came out and had a chiefs of mission conference. He brought all the American chiefs of mission from the area, from the Middle East, to a conference in Cairo, to get their judgments of the situation to get their reading of the attitudes of the people in their countries towards peace and toward the United States in particular. And one of the most outspoken people at that conference was our then ambassador to Damascus, Bob Paganelli, who stated quite promptly to the Secretary in this meeting of chiefs of mission that his attempt to have a separate Lebanese-Israeli peace -- even though it was not going to be called a total peace treaty, it was going to be in effect an end to the war -- was doomed to failure because the Syrians were committed to not letting it happen, and the Syrians were a major actor in Lebanon. The secretary did not like hearing this. But it turned out that this Ambassador Paganelli was quite right. The Syrians did succeed in undermining the secretary's initiative, which was still-born. Also, there was the assassination of Bashir Gemayel, who was the Lebanese president-elect and Israel's ally. And the whole thing just fell apart. Meanwhile, the Reagan peace plan had not caught fire. The peace process both on the Arab-Israeli front and in Lebanon was making no headway.

There were strains at this time, I have to say, in the Egyptian-American relationship because of our inability to get the Israelis out of Lebanon, even though we had defused it somewhat by helping it organize an orderly departure of most of the PLO to places of asylum or refuge, including working to help the PLO establish its headquarters in Tunis, a long way from Palestine, where they are, by the way, still today. And the one country that wanted to see this solved but did not want to accept any Palestinians, even a token number, was Egypt. Egypt was happy enough to work for the Palestinian cause within reason, a cause that was not inconsistent with its commitment to the peace process, but it had no illusion about putting any large numbers of Palestinians on Egyptian territory, because most of them were opposed to the peace treaty with Israel, and they would end up becoming a destabilizing element in Egypt. So that Egypt did not become a host country for the Palestinians.

There was a strain in the US-Egyptian relationship which tended increasingly to focus on what became an objective of U.S. policy. To some extent the objective was supported and pushed very hard by the Israeli lobby in Washington and certain elements in Congress. It was the objective of Israel, and became our objective, to get the Egyptians to return their ambassador to Israel. And this became a major subject of discussion on the agenda during a Mubarak visit to Washington. He made what George Shultz interpreted as a commitment that if Israel agreed to an arrangement whereby it would withdraw from Lebanon, then this would be all it would take for the Egyptians to return their ambassador. Well, the agreement that Shultz had negotiated between the Israelis and the Lebanese Maronite leadership did in fact include Israeli withdrawal in stages from Lebanon. And so Shultz said we've met your condition and therefore you've got to return the ambassador.

The problem was, of course, that that agreement fell apart and the Israelis didn't pull out. But Shultz said the commitment was not that the Israelis would pull out, it was that the Israelis had agreed to pull out, and the fact that they hadn't pulled out was not their fault, and therefore Egypt should return its ambassador. This became a very personal thing between Shultz and Mubarak. The chemistry was not very good between the two of them, and this was part of the reason. Shultz felt he had been let down. He had reported to Congress that he had succeeded in getting an Egyptian commitment and he had reported in private to certain congressional leaders that he had succeeded in getting an Egyptian commitment to return its ambassador, which was what Congress wanted, because it was a symbol of continuity in the peace treaty. And then, of course, it didn't happen, and he felt that he had been embarrassed in the eyes of the Congress by Mubarak's not fulfilling what he thought was a commitment.

Q: The Egyptians never withdrew their embassy, did they?

ATHERTON: No, no, the embassy was there and the staff, it was just the ambassador. The ambassador became the symbol. Parenthetically, it underlined one of the lessons to be learned; the last time you should withdraw an ambassador is when relations are difficult, when you need the ambassador. And to withdraw an ambassador as a symbol of displeasure is easy to do, but getting the ambassador back again is sometimes very difficult, to find the right time when you really would like send the ambassador back, to explain politically why you're doing it. The reason you pulled the ambassador out has not been corrected. I have always argued that one must be very, very resistant to pressures to withdraw ambassadors in times of crisis, when you need them most. In any case, the ambassador didn't return.

And Shultz also felt that he had been let down by King Hussein, who he thought had agreed to try to get Arafat to accept the Reagan peace plan, which called for a joint PLO-Jordanian delegation, and this would become a basis for negotiations. Then Hussein couldn't deliver and so he felt he was betrayed by the Jordanians. And, in general, his view of the Arabs began to be that they were not very reliable and that on the other hand his experience with the Israelis was that they were strong and they kept their commitments. He developed particularly good relations with Moshe Arens, who was then the Israeli ambassador to Washington. And I think this did not help smooth out the rough places in the chemistry between Shultz and Mubarak. So there was a period of stress in our relationship.

The next major event of this period, I should have pointed out earlier, as part of the process of trying to ensure the security of the PLO withdrawal from Lebanon negotiated by Habib, was to send a Marine detachment to Beirut, and the French, put in a French detachment. It was a kind of international peacekeeping force. And, it was this Marine detachment that was targeted for a suicide bombing by terrorists, probably of the Islamic fundamentalist variety, probably responsive to Iranian leadership, which resulted in the -- I'm sorry, the first was the bombing of the American Embassy. The initial bombing was a bombing of the American Embassy by a suicide bomb attack. This happened while Shultz was out in the area in the first part of 1983. We had a memorial service at the embassy in Cairo, which Secretary Shultz and Phil Habib both attended. It was held in memory of all the personnel of the Beirut Embassy who had been killed, including Bob Ames, who had been the national intelligence officer for the Middle East at CIA and had become a very close associate and friend of the Secretary. The Secretary felt deeply about this tragedy. The bombing of the Marine barracks was in October, 1983.

Let me put that aside and turn now to what was going on in the Egyptian-U.S. relationship, because increasingly we were preoccupied with economic issues. There was nothing going on in the peace process. The Israelis were still in Lebanon, and there was a strain in the relationship there because the peace process was stalled. So the primary focus of the US-Egyptian dialogue in those days was on a number of economic issues.

Egypt was doing pretty well economically. It had some windfalls from increases in the price of oil, since it had become an oil exporter; lots of Egyptians were working in the Gulf states, which were booming, sending home remittances of hard currency; Suez canal tolls were doing well; and tourism was growing rapidly. So Egypt was getting a lot of foreign exchange in this period which rather masked the fact that the economy fundamentally was full of weaknesses and structural distortions. The private economy was growing rapidly, but the dominant government sector was still very sluggish in this period. And the economists in Washington and in the World Bank and we at the embassy including the AID mission were all trying very hard to persuade the Egyptian establishment, the president and his principal economic advisors that since they had an economic cushion because of the windfalls on the foreign exchange front, this was the time to institute some structural reforms in the Egyptian economy and begin to make it more competitive - to reduce, for example, the enormous element of subsidy payments in the Egyptian budget, subsidizing the basic economy in order to keep the price level down. This was something inherited from the Nasser period but which had grown to the point where the subsidies were a major factor in the Egyptian state budget. We were trying to persuade them to permit prices to seek their own level in a free-market system, remove controls on industry, privatize some of the large government enterprises and make them more efficient. There was quite a dialogue going on between Washington and Cairo on these economic issues. And, to their credit, the Egyptians listened; they put together economic study groups, to review and study and make recommendations to the president. But there was enormous resistance in the Egyptian bureaucracy to moving away from what they were used to, which was a centralized state-controlled economy. For one thing, it was their livelihood and they were not persuaded that a free market was the best thing in the world; the free market in Egypt had been subject to some excesses with too much focus on imported luxury goods, consumerism, corruption, a new rich class established, increasing the gap between rich and poor. There were some fundamental flaws

in the Egyptian economy -- no doubt about it. And many Egyptians recognized this and we had many discussions through our AID mission directly, with visitors from and to Washington, my own talks with Mubarak and others. And I will at least give Mubarak credit for recognizing that they had some problems, and he certainly did not simply wave them aside as Sadat used to do. Sadat used to say: There's nothing the Egyptians can't handle. After all, we have all that land that is empty, and we have all that water in the Nile, and all we have to do is put them together and you can expand the area for our people and expand agriculture. This went against all of the judgments of economists, who felt that there wasn't all that much excess water. Also the economic costs of trying to irrigate, to bring under cultivation lots of new land were prohibitive. And you had an argument between those who said that the way to improve agricultural output in Egypt was to bring new land under cultivation, and those who wanted to intensify and get more out of the existing cultivated land.

Underlying all this, though, was the fundamental fact that Egypt's population was growing so fast that it was keeping the economy from getting ahead of the power curve. The population increase in those days in Egypt wasn't the highest in the world, but it was running at about 2.7 percent net increase per year.

Q: What was the population at that period?

ATHERTON: It was then, I'm talking about 1982 into early '83, certainly 43 million. When I went there in 1979 it was 39 million, and it just kept growing. Sadat, again, did not take this seriously. I think I mentioned earlier Sadat's attitude towards the population growth.

But Mubarak did. Mubarak did realize that this was a serious problem, and we brought over an American team under the Resources for the Future Program to demonstrate through their computerized monitoring the impact on the various factors in the Egyptian economy if this population growth should continue. The number of new schools that would be needed, housing, land that would be lost to cultivation because you would have to build new villages and expand the cities, the strain on the water supply, all the things that would become necessary. It was very difficult, of course, to quantify all this. Mubarak organized, in effect, a high level seminar to attend this presentation. I think I mentioned earlier that we had got Mrs. Sadat to get President Sadat to sit through one of these presentations, and Sadat had done it in the privacy of his home, with one minister, as I recall, present to hear it.

Mubarak convened members of his cabinet, members of the Islamic clergy, academicians, economists, and had a big roundtable gathering, so that the presentation was made to a lot of the people who were going to be involved in trying to do something about Egypt's economic crisis. And they heard the lecture, they asked questions and were answered. So Mubarak was trying to educate his people that they had to do something about population growth. And, unlike Sadat, he brought it up in some of his speeches. He emphasized that unless something is done about the growth in population the country would suffocate. So he took this on. It was not a popular political issue, but he took it on.

And he also did commission various economic studies. The problem, of course, was that their recommendations were rather draconian, and they all had potential political fallout, because they

would have meant having prices go up, they probably would have increased unemployment in the short run, caused some inflation and that could bring political unrest. Most Egyptian leaders, then and still today, remember that Sadat once tried this kind of draconian medicine on the Egyptian economy back in 1977 at the recommendation of the World Bank and the IMF. And there was rioting in the streets in January, 1977 which he had to finally call out the army to put down. It was a nightmare to Mubarak, who thought it might precipitate domestic riots, and he would have to ask the army to again intervene. So he was very cautious about accepting or implementing recommendations of the international economists.

But the dialogue went on, and they did adopt some measures. There was some attempt to let the price of energy increase, although it remained, and even today, remains well below world prices, to let the price of bread go up, not by increasing the cost of the standard loaf, but introducing a new, somewhat better loaf at twice the price. So there were some attempts by indirection to reform the economy, some movement towards letting farmers charge market prices rather than trying to control agricultural output and marketing and distribution of the product. But most economists' judgment has been that it was too little and too late. They aren't going to get ahead; the crisis is going to overtake them if they don't move more rapidly. That was the case then and it remains, I believe, today. But somehow they muddled along. There was a windfall here and there, such as happened in the Kuwait-Iraq war. Something always seems to come along. Egyptians historically take the attitude that Egypt is too important and too strategic to be permitted to collapse, and therefore some external force would come along and save them from their worst economic problems. So far, I have to admit, historically they have been right. Another important component of this dialogue in the economic field had to do with the popular image of the U.S. AID program. It was a very large program with a large number of Americans, counting contractors as well as direct-hire Americans, totaling several hundred mostly living in one suburb of Cairo. So you had this image of a large number of Americans, living very well, with a high standard of living, an American school in Maadi although enrollment was only about half American. There were lots of images of the American presence. And there were those who worried that this was politically counterproductive.

There was a fair amount of criticism of the AID program from the political opposition particularly among academicians; all this money was coming in and one didn't see dramatic results. There were no big projects like the Aswan dam, for example, which the Russians had built. There were infrastructure projects, a lot of which consisted of pipes under the ground. There were some big ones, there were a lot of power projects which were evident. And there were a lot of studies; the AID system, the AID approach to administering an aid program, appears to the Egyptians to be unduly expensive and time-consuming; feasibility studies, endless negotiations before an agreement was finally reached on a particular project between the Egyptian ministry and concerned and the AID mission and Washington. And then competitive bidding on the contracts, which were always time-consuming. So it did seem to be a slow-moving program, and a large pipeline was built up. It couldn't spend the money as fast as Congress appropriated it, so you had literally a million dollars or more sitting in this pipeline. And then there were some projects that in retrospect were probably better not undertaken. University social studies department, working in collaboration with universities in the States on in-depth studies of various aspects of Egyptian society. Well, it was the kind of thing that Egyptians do pretty well by themselves, and there was some question about whether it was the

best use of AID funds, on those long-range sociological studies. They may have had some interest to scholars, but they did not seem to produce anything productive in the eyes of a lot of Egyptians. So there was a lot of carping at the AID program.

I have to give credit, by the way, to AID for creating a program from nothing, into which much too much money was pumped too fast because in the early days the level of the aid was determined politically and not on the basis of what could be efficiently used. The AID director who really shaped the program and gets a great deal of the credit for creating a development program that produced results, in my opinion, was Donald Brown, who was one of the senior career AID administrators. He was very good in conceptualizing and putting together his Mission's programs. It was just probably mission impossible to do as much as Sadat and we had held out with such promise; expectations were too high. And then a lot of Egyptians didn't understand AID's ways, and they resisted AID's emphasis on free enterprise, which happened more during the Reagan period than the Carter period. But there was a lot of friction, almost inevitable when you have that many Americans coming and trying to bring the American way of doing things to the Egyptian economy which had its own way, and with lots of Americans interacting at various levels with their counterparts in the Egyptian ministries.

It began to look to some of the political critics that there was a secret American hand running the Egyptian government. At least that became the kind of image the opposition tried to portray.

Q: Did they bring this up to you. . . ?

ATHERTON: Well, I used to hear it. It was not from the government, you'd get it from the opposition. It would appear in the opposition press, in speeches in parliament, and it was heard in the streets. So it led to concern that maybe the AID program wasn't paying enough attention to its public relations. And we began to try to find ways to explain the program better, and also to look at those projects that might be trimmed, and look for projects that might be more dramatic, to get people's attention. There was a big argument. Do you want dramatic projects or do you want to invest in an infrastructure for which you won't get much credit now, but ten years down the road it will be filling a need.

For example, AID created in the end more electricity-generating capacity through its projects in Egypt, which were a combination of oil and gas projects, than had the Aswan Dam. But, for some reason, many Egyptians always compared the Aswan Dam favorably with the results of the American AID program. We weren't able to get this across.

Q: They could see it.

ATHERTON: They could see it. I guess that's it. They couldn't see many of the other things that were happening. There were some very good programs. There was a basic village services program, which tended to put the decision-making out into the villages, in the village councils, and get them engaged in local economic development projects. There were urban counterparts, urban neighborhood services programs.

I think that the final judgement of the USAID program in Egypt has yet to be written. Somebody

is going to have to take a long look at the base where Egypt was when we started this program and where it was fifteen years later.

Now we weren't the only people putting money into Egypt. There was the World Bank, Europeans, lots of other people, but our AID program, I think did as much as all the others put together. Also we were much more involved in trying to design changes in and helping fine-tune the Egyptian economy than other donors except the World Bank. The others gave grants designed to help their nationals come in and sell their products and their services.

Anyway, there were problems. To some extent the AID programs had problems that needed fixing, but to some extent it was a perception problem.

Q: And we're talking about what years?

ATHERTON: I'm talking about the whole period I was there, which was 1979 until I left in 1983. But there was a change in the AID mission leadership after the change of administration. When the Reagan administration came in, in '81, less than halfway through my tour there, it decided to try to give our AID programs more of a private-sector image.

This began with the appointment as head of the AID Mission of a non-career person out of the US private sector, who also knew quite a bit about Egypt. His name was Michael Stone, a successful businessman from California. He was British originally, and had fought in World War II, flying aircraft off a British aircraft carrier in the Mediterranean. He had a long association with Egypt, and had been on the board of the American University in Cairo. Mike Stone was chosen, I'm told, to inject more of the private-sector philosophy into the Egyptian economy and into the way the AID program was structured, and also to try to improve its image. Mike Stone, by the way, was to become Secretary of the Army in this administration. He was, I felt, a first-rate choice for AID Director.

But he soon ran into problems, not with the Egyptians as much as with his headquarters back in Washington. Because he had been told that he was going out there to be in charge, and yet AID headquarters in Washington kept trying to second-guess him, look over his shoulder and micromanage his program. He wasn't used to working with this kind of bureaucracy. So he had his problems with AID headquarters.

But Mike Stone and I together did launch an effort to improve the image, public relations-wise, for the AID programs. We did much more briefing of the press, paying much more attention to their way the projects were presented publicly, in-depth interviews with some columnists, Egyptian columnists, giving them background information, using the USIA facilities to get the AID story out more than it had before, briefing members of the Egyptian People's Assembly, meeting with people from the Assembly's Foreign Relations Committee.

Q: Touring the various projects, I suppose?

ATHERTON: There was a lot of touring of projects, a lot more public imaging. I won't say that we turned things around, but I think we had some effect.

Well, that's a lot about the economic side, but I did want to make clear the economic side of the US-Egyptian relationship, because we were putting close to a billion dollars a year into an AID program, some of it for food, some for commodity purchases, but a lot of it for projects, and some of it was bound to create frictions.

There was another area that created frictions during this period, too. And that was on the military side. On the whole, the relationship between the Egyptian and American military was good. They were getting a lot of American equipment, there were American training missions in Egypt, to work with the Egyptians on the new equipment, helping them learn how to maintain it, integrate it into their forces, both air force and ground. There wasn't any naval program but there were air defense and ground equipment and Air Force equipment. There were American field teams to accompany each new weapons system, called TAFTs, Technical Assistance Field Teams, which were under my authority ultimately, but their chain of command was through a member of my country team, a general officer, who headed the Office of Military Cooperation or OMC.

Now, in addition to the cooperation, military-to-military, focusing on transferring equipment and know-how to the Egyptians there were annual US-Egyptian military exercises. The US units were under CENTCOM (Central Command) which had been established by President Carter after the fall of the Shah and the Soviet invasion of Afghanistan, to have a force that could intervene to counter a threat to our friends in the Persian Gulf. That, by the way, is the command which today is in charge of all of the build-up of American forces in Saudi Arabia. All of these joint exercises, gaining familiarity with working with Egyptians in an Arab environment, contingency planning for staging equipment through Egypt to the Gulf, have played a major part in helping the rapid build-up in response to the Saudi and Kuwaiti request for protection against the Iraqis and in making this go smoothly. So these years of working with the Egyptian military paid off in August of 1990.

But there was another area which was not as friction-free. The American military very much wanted to formalize their access to Egyptian bases and Egyptian facilities. In fact, they wanted the nearest thing possible to having military base facilities in Egypt. And this went very much against the political currents in Egypt. Even Sadat, who was open to military cooperation, strategic cooperation, said that he would make facilities available but would permit no foreign bases on Egyptian territory. They still remembered how long it had taken to get rid of the British bases in the Suez Canal zone. They have no good memory of foreign bases on their territory.

Well, the problem was that for some of the things the military wanted to do in Egypt -- pre-positioning of equipment, having small contingents of people on the ground -- funding came under the appropriations by the Congress for military basing purposes. And the legislation required that we have formal agreements with the Egyptians that gave us certain rights, which the Egyptians resisted. They wanted a handshake and a word-of-mouth arrangement. And so we had endless go-arounds with delegations coming out. My successor once removed in Washington was assistant secretary Nick Veliotis, who was then assistant secretary in the Reagan administration, for the Near East and South Asia. Veliotis came out and tried to negotiate for facilities at Ras Banas, which is way south on the Red Sea and which Sadat had always said was

a perfect place for the Americans and Egyptians to work from in our effort to build a capacity to move quickly to protect the Gulf in case of a threat. But our insistence on having a formal agreement ran directly counter to Egyptian insistence that this was an Egyptian base and that we would be their guest. We were welcome there, but they weren't going to give us any base rights, just access. So we never did resolve that. Sadat, who really started this, and then Mubarak picked it up, looked for American money to develop Ras Banas. It was an old Egyptian base, naval air and land; it was right on the water, on the Red Sea. And it had a lot of strategic facilities, a good harbor, good amenities. But the Egyptians didn't have the money to modernize it. They thought that if they were to develop it for the Americans we should put a lot of money into it and create a very modern base. The problem was that we would only put money into it if it was an American base, or at least we had a written agreement. Congress insisted on this. Congressional delegations came out and looked at Ras Banas, talked about it. I kept trying to persuade congressmen and anyone who asked me, people who came out from Washington, that they weren't going to get Egyptian agreement that would be seen by, and held up by the opposition as permitting a foreign, an American military base on Egyptian territory. If we couldn't find ways to work within their political imperatives, then we might as well give the idea up and just go on with some form of annual military exercises, and the benefits those gave us. But we had to move quickly because of the Gulf situation.

There was another friction. The Egyptians had a very great concern about letting nuclear-powered vessels use the Suez Canal. They were concerned about nuclear accidents. And that didn't just mean vessels with nuclear weapons on them. It meant those with nuclear power plants. And increasingly our Navy is nuclear-powered. So we could never get an agreement with the Egyptians as a matter of routine to let nuclear-powered American warships use the Suez Canal. They said this applies to all countries, it's not just the United States. The trouble is, we have the most, and we wanted to make the most use of the canal to move naval ships, including aircraft carriers, from the Mediterranean to the Indian Ocean. And we went around in circles. Delegations came out. Bob Murray, who was the under secretary of the Navy, came out. State Department and Defense Department teams spent weeks in Cairo talking to the Egyptians about why they should permit our ships transit, demonstrated to them it was perfectly safe, that they had nothing to be concerned about. We took Egyptians to the States, showing them nuclear ships in our harbors, giving them as much briefing as we could, orientation on their safety, showing them how nuclear power plants worked, precautions that would be taken to assure that there would be no accidents in the Canal. Sadat, who said in principle that he would like to see this worked out, said "I will talk to my people about it". The people principally concerned with this were the Suez Canal authority, who tended to be rather autonomous and strong-minded, and they weren't about to agree to anything that might endanger their Canal, they said. And also they argued that if we let American nuclear-powered ships through, under the Constantinople Convention, we can't give preferential treatment and, we'll have to let Russian nuclear-powered ships and any other nuclear-powered ships through the Canal. So this was another friction because these arduous negotiations went on and on without anything of substance being agreed by the Egyptians; nothing except general statements that in a real emergency we will waive the restrictions, if there is a real operational necessity to move very quickly. And, in fact, in the current Kuwait-Iraq crisis, I understand that they had done just that. A lot of American Navy vessels had moved into the area.

Q: But the choice is always theirs. . .

ATHERTON: But they have to offer it. And it's an exception to the rule; they haven't changed the rule.

Well, I think that's enough to give some sense of the flavor of what it was like trying to help manage and conduct from Cairo, Egyptian-American relations during this period of four and a half years I was there, from mid-1979 to the end of 1983, with all the events that happened during that period, part of it under Sadat, part of it under Mubarak, the Israeli invasion of Lebanon, the problems with our economic relationship, with the running down and grinding to a total halt eventually of any attempt to follow up the Camp David agreements on negotiations with the Palestinians, Egypt still being largely isolated. All the time I was in Cairo, there was no Arab diplomatic corps. There were a few Arab diplomats from countries that didn't break relations with Egypt, but for the most part there was no Arab diplomatic community. And the Russians, while we were there, were very much on the periphery, and the American presence was the big presence.

Q: Could I ask you a few questions now about your staffing arrangements and how you dealt with such an enormous staff. You must have had -- How many section heads did you have? Did you have any problems with any of them in particular, or did they all work smoothly?

ATHERTON: Oh, we had problems, but we managed to work them out. I suppose the principal issues, the most difficult to deal with were between the AID mission and the embassy economic section. We had an economic counselor, and I was eventually able to get him the title of minister-counselor. The AID mission director had his own economic analysis unit, and very often they would be doing the same kind of reports independent of each other. I worked very hard to try to get coordination between the embassy economic section and the AID mission, and with some success over a period of time. But there was a built-in bureaucratic turf. I found that, although I had never had formal management training, I spent an awful lot of my time, not conducting foreign affairs, but managing a mission.

I think we were talking last time a little bit about the embassy in Cairo and the question of managing it, staffing it. In other words, the sort of managerial aspects, if you will, of being chief of mission in that kind of a post.

The first thing I guess I ought to say is that I have never really had much formal management training. In fact, few of us in the Foreign Service career ever did in those days, we learned on the job. I had managed a small consulate. As a desk officer I had always had my secretary.

I had taken one management seminar, which the Foreign Service Institute put on, during one of my Washington tours or on leave, I can't remember which, some years before, which stood me in good stead. I found that I remembered some of the things that came out of that. It was during the time when John Stutesman was running the FSI, or was running at least part of the FSI. I can't remember now precisely whether he was the director or whether he was running one of their programs. But he was very interested in management, and he had arranged a contract with an organization, whose management technique was called the Management Grid. This was a group

based at the University of Texas, in my recollection, and they ran a very intensive seminar for middle-grade officers off-site at the Tidewater Inn in a town in eastern Maryland. Anyway, they took a group of us down there on a Sunday afternoon. It was sensitivity training, really, somewhat more structured than the usual sensitivity training.

Q: Incidentally, they had those seminars all over the world, as a matter of fact. I attended the one, from Beirut, in Athens.

ATHERTON: Was it also the Management Grid?

Q: Yes, Bob Stutesman came out with it.

ATHERTON: Well, I thought it was an excellent structure within which to think about how you deal with management decisions. I remember, for example, that one of the things they did was to show to the group the film *Twelve Angry Men*, with Henry Fonda and others and then used that as a basis for a discussion to bring out how different participants in the seminar had heard different things in that film, about how the decisions were made that ultimately led to turning a jury that was 11-1 for guilty to a 12-0 for acquittal. That was one of the training devices for this seminar. In any case, that was the only formal management training I had. It lasted a week and was very intensive. We started at breakfast and went through the day and had sessions after dinner in the evening. So we were all pretty well intellectually strung-out by the end of the week.

But some of it stuck when I was finally put in a position where I really was the manager, even more so than being assistant secretary, because the bureau had its own very senior executive director, and so much of managing in the department is managing policy issues, whereas managing people is part of a larger context. At the embassy, you are the context.

Q: Would you mind giving us a run-down of a sample day that you had: who you met with, how you saw your staff?

ATHERTON: When Betty and I first arrived, we made a point of going around to every unit of the embassy, visiting different components of the embassy in their offices. We went to the AID office to see the AID people, the military offices, the USIA, and the different sections of the embassy, getting to know not just the heads of the sections but the junior officers and the clerical staff and the communicators in the communications center, and secretaries and support staff and the Egyptian employees of the Embassy.

The embassy, by the way, had grown very rapidly during this period. I took over from Hermann Eilts, who had tried very hard to keep down the size of the AID mission, but it just continued to grow by sheer force of the number of people it takes to run an AID program according to our laws and regulations: auditors and people who had to do feasibility studies -- sort of counterparts to all the Egyptians AID was working with. And we had a program that grew while I was there, the economic assistance program, to something like a billion dollars a year -- eight hundred million roughly in economic assistance, and another two hundred million, in rough figures, in PL 480.

Q: You can't run it without a staff.

ATHERTON: You can't run it without an enormous staff. We had, at the peak, when I was there we had more than four hundred direct-hire Americans on the embassy payroll. That counted all sections, other agencies as well, but all, under the ambassador. There were also large numbers of AID contractors who were not part of the embassy but had certain facilities at the embassy, which swelled the American economic assistance team enormously. And later, as you got into the military supply program, it became a billion dollars a year too. Then there were also defense contractors, large numbers of people who took over a whole apartment building out in Heliopolis, for example, just the General Dynamics staff alone, that was running the F-16 program bringing in aircraft for the Egyptian Air Force.

It was a large staff, and so the first thing was to get to know people and get to meet with them. Then I had four country team meetings a week with heads of all of the major elements of the embassy. Usually fairly brisk. We didn't spend a lot of time just in reporting what everyone was doing. Kind of an action-oriented meeting. And I said at one point, "There are other ways to report in detail on this or that program. What we want in country team meetings is to raise those issues which are coming up for decision, or which have inter-agency implications that other parts of the mission ought to know about, so that we don't have a situation where we all are working in separate compartments." They were more information-sharing and discussion meetings than decision-making meetings.

Q: Now you had your other heads of section in the political and economic section of the embassy as well?

ATHERTON: Yes, I had the economic counselor, and we were later able to persuade the department to give him the rank of minister-counselor, because of the size of the job and of the responsibilities, including general policy liaison with the AID mission, keeping an eye on AID policy and the AID program on my behalf. He became minister counselor for economic affairs. And, of course, the DCM, who was minister counselor, and the political counselor. They were always part of the country team staff meetings, which always included the AID Director, the counselor for administration, the public affairs officer, the science attaché, the counselor for commercial affairs who was a Department of Commerce officer assigned to perform commercial services, the agricultural attaché, who was a senior officer, the consul general, head of the consular section, a defense attaché, and the head of the Office of Military Cooperation. There was always a bit of a problem there, because he was a general officer, a Brigadier General, and the defense attaché was a colonel, and yet he felt that traditionally the defense attaché was supposed to be the top military man. So there was always a bit of tension there. I kept finding myself trying to negotiate between different branches of the military. And, of course, the station chief, representing CIA in Cairo, was declared. He was not declared publicly, but he was declared to the Egyptians, who knew he was our intelligence representative. And therefore it got to be pretty generally known what he was. Not what I would call very deep cover. He was the station chief in Cairo but was technically an officer in the political section.

It was a good team. They were good people. Most agencies felt that this was an important enough post for them that they assign some of their very best people, so that we had a quality

staff altogether.

Q: You didn't have to deal with much of free-wheeling on the part of these heads of agencies?

ATHERTON: Not a lot, not a lot. I don't think there were any sort of devious and deliberate end runs that I was aware of.

One of the problems was, of course, with so many projects all over the country, they overflowed into the consular district of Alexandria. We had a consulate general in Alexandria. When I first got there, we also had a consulate at Port Said. That was closed early on in my tour. We had a consul general in Alexandria, and the whole northern part of the country was in the Alexandria consular district. There were AID projects there, and AID mission people would go up there to deal with their Egyptian counterparts and forget very often to tell the consul general they were coming to town and calling frequently on the governor. So that became one of the first things we had to do, to tighten that up and make sure that the AID mission people were aware that anybody traveling, and not just the AID mission, anybody from the embassy in Cairo traveling to Alexandria on business had to let the consul general know and give him, and later her -- because we had a lady consul general at the end of our tour, Frances Cook -- at least the option of accompanying them on some of these calls. It was very useful. I always found that going along with the AID mission director on certain of his field trips or for the inauguration of projects was an awfully good entrée into meeting people outside of the capital. So the AID program, in addition to being important on its merits, was a good diplomatic tool. It was a point of entree. Not just for me but for the other members of the staff including for the minister-counselor for economic affairs.

Q: I gather that you had the feeling that you knew pretty much what people were doing. . . you had good control. . .

ATHERTON: Yes, I don't feel that I was ever in the dark about any of the main developments. And I'd say the staff was basically conscientious for the most part about making sure that I was briefed. So I was able to keep pretty well in touch. But it was a big part of the job, the management side of it, keeping on top of a staff that large. Fortunately, because there were also obviously the bilateral relations aspects.

There were certain people that only I could see. The president and vice president, and the foreign minister and some of the other ministers. The policy ministers -- the Prime Minister. So my days would be a mixture of internal management, starting off with the staff meeting and sometimes further appointments during the day with particular people who had a particular problem or issue they wanted to discuss. But also diplomatic appointments with members of the Egyptian government.

And there was an endless representation side of it. Cairo had a very large diplomatic community. While we were there, there were almost no Arab diplomatic missions. Most Arab states had broken relations after Egypt made peace with Israel. So you had just a few small Arab missions, with a very low profile. There was a very large and a very high-quality African diplomatic corps. And it seemed every week there was at least one African national day. And I made a point, as I

believe Hermann Eilts had before me, of at least putting in an appearance at all of the other countries' national day receptions. For them, it was terribly important whether or not certain people, and in particular the American ambassador, came to their parties. If you went to one and not another, then you put somebody's nose out of joint.

I think there was hardly an evening when we didn't have at least one event and sometimes more than one that we had to go to. There were ceremonial events when AID projects were inaugurated, which always require a certain amount of time, usually a speech of some kind, and there was a tea or reception or something like that. USIA had programs in the universities, and I was often asked to come to the presentation of books to the university. I was asked a couple of times to lecture to some of the professors and the graduate students at Cairo University, in their department of political science, about U.S.-Egyptian relations. I was even asked to lecture once at the Egyptian equivalent of our National War College about U.S.-Egyptian relations.

So there were endless demands such as this. But one has to try to cover all of these bases. Obviously, the bilateral relationship was critical, and that had to take priority, when I had to see a senior official on a particular urgent piece of business. And there was always lots of business because, during the earlier part of my tour, we were still trying to make the Egyptian-Israeli negotiations on Palestinian autonomy work. There were special negotiators representing the president who came out. There was always a lot to do to prepare for those visits and a lot to do between those visits. There were matters on which only the president, President Sadat particularly, but Mubarak when he became president, could make decisions. So many things which, in a less centralized government, might have been handled at the ministerial level or even at the sub-ministerial level, got kicked upstairs very quickly to the president, or to the prime minister. So I had to attend more meetings than would have been the case in, say, a European capital, with the very top people in the government.

Q: Could I ask something here? This is rather minor, but when you went to see, say, the prime minister or the president or one of the other ministers, whom did you take with you, and did you do your own reporting? How did you manage that?

ATHERTON: I very often would see the president alone, because he would be alone, and since they both spoke English, there was no need for an interpreter. I certainly couldn't handle it in Arabic, but both Sadat and Mubarak's English was quite adequate. I would very often do it alone. On the other hand, a lot of those meetings, particularly at the presidential level, were in connection with visits from Washington, taking a member of Congress, taking the administrator of AID when he came out, taking other senior executive branch officials for calls on the president. Then I would normally take the visitor, but usually with another officer, depending on what the subject matter was, economic officer or political officer who helped with the reporting on the meeting, taking notes and writing it up. On those occasions, the president would usually have somebody from his staff with him as well.

But some of the more sensitive issues were the subject of a private tete-a-tete, and I would have to go back and reconstruct and dictate a memorandum of the conversation while it was fresh in my mind. I took a few notes. I didn't try to put down more than a few key words to remind me what the subject was, so I could reconstruct it and write it up. I always worried a little bit, with

Sadat in particular, because he never had anybody taking notes, and I always wondered how much of it ever got reported on down the line to his people. I frequently ended up having to tell his foreign minister what he had told me, to be quite honest.

Q: You didn't leave an aide memoire with him? That practice has sort of gone out of style, hasn't it?

ATHERTON: No, I didn't. Occasionally with the foreign minister, who was more used to that. I'd say I'll send you something after the meeting.

But there were never large gatherings. It was totally different, for example, from meetings that I used to go to when I was doing the shuttle, when I was doing the pre-Camp David negotiating job in Israel. Normally the meeting was with a roomful of people, and I would have several people with me as did the Israeli delegation. And they kept literal verbatim transcripts. But I was never sure there was any record of some of these meetings with the Egyptians, except for our own records.

There were lots of visitors, lots of congressmen. It was obligatory for members of congress, particularly in an election year, to say that they had seen President Sadat. It was good politics in the United States to have your picture taken with President Sadat, once he had made peace with Israel. And he was great at playing on this. He would put on a very good show, very often when there was a congressional delegation. Usually they were delegations. Very few of them came solo. We would have to go out of town; he would be at one of the villas he like to stay at -- one at the barrages, which was up at the beginning of the Delta, north of Cairo, which had been the British engineer's residence when the first barrage to control the floods had been built, in the early days of the British period. He stayed there. He had a place in Aswan. He had a place in Alexandria. He had his own residence in Giza. And you never knew quite where you were going to be calling on Sadat. He would always put on a good show -- a tour d'horizon for the visitors. The importance of Egypt's role in the strategic balance in the Middle East. How important it was that Egypt and the US work together. We had a lot of meetings that had to do with military matters, trying to formalize more the military relationship. He was always very adroit at saying that he would be happy to have a close relationship with us and cooperate with us and have our military come on joint exercises, but no alliances, no American bases on Egyptian territory. It was politically much too sensitive in light of Egypt's experience with foreign occupation. It's hard to say what a typical day was, except that they did all start with a brief country team meeting.

Q: Well, you've given us a good idea. I think it's clear.

ATHERTON: I should add one other thing. Once a week, usually the last day of the week, we would have a more open staff meeting, with not only the country team, the senior people but others from the staffs of the other agencies, and from the embassy staff. It was really kind of an open meeting. The people who wanted to come would come. They were like seminars. I started the custom of having these open meetings once a week, with a subject matter to be discussed, and asking a member of the staff to take the lead in a discussion of a new direction in AID policy, for example. Or, I remember for example our economic minister counselor trying to

explain to the staff something about supply-side economics after the change of administration. Remember I went over there as Carter's ambassador, and then Reagan came in with new emphasis on the private sector and supply-side economics, and we had to try to educate our staff about the policies and the philosophy of the new administration. In these discussions, for example, one of the big issues was how important was the resurgence of Islam, the Islamic revival, which was readily apparent. How important was this politically to the people, and was it a threat to the stability of the government? And everyone would contribute; the political officer, the USIA officer, people who had contacts all over the community would take part in these discussions.

Usually I would ask one member of the staff to organize the discussion, make a presentation, and then draw others into the discussion. That way, every week we would find some subject of general interest to everybody. Sometimes they were in-house matters.

One of the things that consumed an enormous amount of time in the early part of our tour in Cairo was, believe it or not, the question of the work week. When I got there, the embassy was on a Saturday-Sunday weekend. And I found that there had been a long-simmering issue in the mission between those who wanted to keep the Saturday-Sunday weekend and those who felt we should go on to the Egyptian weekend, which would mean that in a predominantly Muslim country Friday was their Sunday; and then some of the Egyptian government offices were getting into the habit of a two day weekend, so they would take off Friday-Saturday. And the AID mission in particular wanted to change the weekend, because they had to work Sundays even though the Embassy was closed, because they did so much of their work with their counterparts in the ministries, the Economic Ministries and Technical Ministries, so that when our weekend was Saturday-Sunday, they could hardly see their children, because on Friday, when the Egyptians have their holiday, we're working; on Sunday, when we have a holiday, they're working, and so there was very little chance to see their kids.

Now we didn't have much guidance. The Cairo American College, which was the big international school, for American-style education, had an enrollment of close to 1200. But it was an American school, and it had the Saturday-Sunday weekend. The American University of Cairo compromised by having a Friday-Sunday weekend with class on Saturday, so it was a split weekend. So the question was: What should we do?

I felt personally, my inclination was that we ought to abide by the customs of the country and that the embassy ought to be on the Egyptian work week. But rather than just decree it, which I felt would cause a good deal of trouble, we had a series of what I guess the younger generation would have called rap sessions, with different sections of the embassy, with the Egyptian employees, the AID mission, USIA etc. We took it up in a couple of weekly staff meetings and let everybody say what they thought the week should be. I was determined not to have a vote. If you put this to a vote, it's going to have winners and losers. Yet some people felt very passionately about this, that Sunday was a day of rest, it is our traditional day, and we should not have to work on Sunday. Others felt, equally passionately: Why should we work on the day when all the Egyptian government is closed down and then close down on a day when the Egyptian government is working?

Q: Yes, when you are closed on Sunday, you're closing yourself off from the government.

ATHERTON: That's right, especially when there are three days -- Friday, Saturday, Sunday -- out of a week when the Embassy and the government are out of touch. So we had a lot of discussion about this. I finally announced I had a sense of what I think is the consensus of the embassy community, and I felt there would be understanding, even though all wouldn't be happy. I said that the consensus I feel I have found, and I really wouldn't want to have to put a percentage figure on it, is that we should go over to the Egyptian work week instead of closing on Saturdays and Sundays.

Well, there was a little backlash. The biggest backlash, incidentally, came from the Maadi Community Church, which was the ecumenical Protestant church which most of the American church-going Protestant community attended. But there were also some smaller missionary groups that felt very strongly about this. The Presbyterians who had had missions in Egypt for over a century, I can't remember how far back, felt very strongly about it. So I got some letters of protest from some of the ministers. With Betty's help -- I must say, she has a very nice touch at this -- we drafted understanding responses and tried to explain why we felt this was necessary, and offering to meet with them and explain why we have done this, and that we were certainly going to make allowance for those people who wanted to attend church services on Sundays.

Q: In Kuwait, they solved it by having the services in the evenings, Sunday evenings.

ATHERTON: I can't remember, maybe some of the churches in Cairo did that too. In any case, it took a long time to get this change made. But I felt it was better than just coming in and, being the new boy on the block, simply decreeing, which would have caused a lot of dissension. And really, as an issue it disappeared almost immediately. People adjusted very quickly once the decision had been made.

Q: What other sort of morale problems would you have to deal with, with families and with staff and all that?

ATHERTON: Well, this was a very large community which included a great many people -- not so much in the embassy proper, in the State Department or USIA component, or the career AID people -- but you had a lot of people among the AID contractors and the business community, who were having their first cross-cultural experience. And, obviously, the differences between American culture, between western culture and Arab Islamic culture are great. So many Americans found trouble adjusting to many things.

We had community tensions, particularly in the suburb of Maadi, where most of the Americans lived -- a very large concentration of Americans with their children in Egyptian neighborhoods. And they would have parties, and there would be alcohol, and the children would drive their motorbikes up and down the streets, making a lot of noise when the prayers were said on Friday.

We had just the beginnings when we got there of drug and alcohol problems in the high school. They were not major, but you could get very easily on the local market hashish, a very potent form of marijuana. I don't recall very much in the way of heroin or some of the harder drugs,

though there was some of that, too. But there were cases of high school kids particularly, buying hashish and smoking it, or going to the local tavern, where they were obviously under age by any standard and being able to buy alcohol. And the result was there were tensions within the community and between the community and the Egyptians.

Q: How did you deal with it?

ATHERTON: For this, I have to give Betty primary credit. One of the things that Betty decided she could most contribute was to organize a support system, which would include mental health counseling and family counseling, orientation for new people, summer job or activity programs for students when school wasn't in session, to keep them occupied with something constructive, evening community classes in handicrafts, Arabic language, and there were all sorts of things that you could create to help make this group of Americans bond a bit more together to feel more like a community.

Q: How would she do it? Would she get the parents. . .

ATHERTON: With the help of long time American residents, she identified a group of community leaders, including representatives of Amoco -- the largest US company in Egypt -- to work with her. She discovered very early on that there were many people, particularly parents of students in the American community, private as well as official, who felt the need of some kind of a support system they could turn to in times of crisis, for example.

When we were in Washington, she had become familiar with the efforts that were made very successfully in Afghanistan, when Ted Elliot was ambassador there, by the executive director of the State Department medical division in establishing a similar program in Afghanistan. Betty had seen this on one of our trips there and decided that this was a model, if you will, that we might try to emulate, obviously, being a much larger post, on a much larger scale.

The problem was to get some initial funding. She turned to the mental health section of the department's medical division, which has a mental health program, and asked if it could allocate some seed money to start what came to be called the Community Services Association, CSA, in Cairo, to help get a program going there that hopefully would eventually become self-financing.

Then the problem was finding somebody to actually run the program. Betty had heard of a couple who were doing this kind of thing in Malaysia, in Kuala Lumpur. They had been doing it for several years, and the word had gotten out and somehow come to her attention that they were looking for a change. All of their references were absolutely first-rate. This is a married couple, Joe Wallach and Gail Metcalf, and their young son, Joshua, who was then a baby.

So the seed money was used to pay their way to come from Kuala Lumpur to Cairo and meet, over a period of several days, with members of the community, particularly at the school but also in other situations, to look them over and for them to look Cairo over.

And the decision was: They are just what we need. They have good ideas, they have had experience in how to deal with cross-cultural stresses and problems, and counseling. So the

decision was made that we would offer them the job.

The next problem was that the seed money, including a loan from the Cairo American College, had almost all disappeared, just to pay the round-trip ticket from Kuala Lumpur. So we went to work on several fronts. One was to get more money out of the State Department, more seed money. The other was to try to raise money within the community - especially the business community.

Q: And they could use the services.

ATHERTON: Oh, yes, this was not for just the embassy. It started out being just for the American community and it later became available to what was loosely called the expatriate English-speaking community. We started with a small group, including the heads of local US companies. The biggest single American company in Cairo was Amoco, which had a big concession for drilling and exploring for oil. They had been there for years. They'd been there since before the break in relations in '67. They had been there straight through. They were exceptions to the rule that all Americans had to leave the country in '67. So the trick was to get their head man engaged. He was skeptical. He said, "You know, we're a big company, we are self-contained. We have our own means to manage these things for our own people." And so we began to ask how many of their people had to be shipped home because they couldn't make the adjustment, mental, psychological, family adjustment problems. Well, it turned out, quite a few over the years. And we said, "You know, this kind of a system might save you money in the long run, because you get people out here and you can deal with these problems in situ, then you haven't invested all that money in training them and getting them and their families and their household effects out only to have them turn around and go home." And he was persuaded. Once we got Amoco committed, and he was able to get his company -- I think in their case they agreed that their contribution would be in kind. They would make available an automobile to this couple, and eventually they also provided some funding. The embassy agreed that it had some housing that had been earmarked for temporary housing for people arriving until their permanent housing was available. The embassy made half of one apartment building available -- one flat for the Wallach-Metcalf team to live in and another flat for offices.

I had a meeting of the business community in the embassy early on and turned it into a fundraiser. I hadn't known that was part of an ambassador's responsibilities. But we did, in fact, manage to get a good financial base, so that we could bring the Wallach-Metcalf team back to Cairo. They had no rent overhead, they had an automobile, we paid them a salary, and they could begin to build a staff. Also, the Community Service Association charged for services. It would seem like nominal charges by stateside standards, but it produced income. They also organized an orientation program for students coming into the school at the beginning of each school year, for students and often for their parents as well. There was an item in the school budget to pay for this service.

We went there in 1979, and this got started almost immediately, in early '80. Ten years ago and still going strong. Wallach and Metcalf have moved on. They were invited to go to Taipei to do the same thing for the American community in Taiwan, and they are now there. There is a new director now running the program in Cairo. Their staff has grown, and the last I heard, the budget

was \$125,000 a year. And it's going strong. I think it has been a success in providing the structure and support system to deal with drug problems, teen mental health problems, counseling, community relations, and all these things. Lots of cooperation from within the embassy. I was very proud, for example, of both our Marine guards and our SY, our security people, who gave their free time meeting with some of the students. And also, in some cases, the security people dealt with the Egyptian police, putting out fires before they got out of control -- between American teenagers and the local community.

Q: It could be explosive.

ATHERTON: Well, it became, I think, one of the success stories. I have to say of this one, that thanks to Betty Atherton; it was her vision and conception. She was elected president and remained president all the time we were there, and I think left behind a legacy which is still going strong in Cairo.

So that's basically what it was like being a manager of what was, if not the largest, one of the largest embassies and AID programs in the world for four and a half years.

Q: Could you tell me a bit about your staff. Were you able to pick your own staff, or did you pretty much have to take what you get?

ATHERTON: At the senior level, I was always consulted. Counselors, certainly the DCM. I was presented with recommendations. The DCM was always my choice. When I got there, there was a DCM, Freeman Matthews, and he stayed until the end of his tour, about a year into our tour. Then I was told that there were several possible replacements. I was given a list and said "This is the person I need." The second DCM was Bob Dillon. Bob did not complete his tour because he volunteered to go to fill the ambassadorial post in Beirut, which was empty. He was in the Beirut embassy when it was bombed. It was just luck that he didn't get killed himself.

When he left prematurely, one person who became available was Henry Precht. Henry should have been given a mission. Henry had been head of the Iran task force during the post-revolutionary and hostage period. My understanding was that President Reagan wanted to appoint him ambassador to, I think, Mauritania, but because he was identified with the overthrow of the Shah, the loss of Iran -- he was just carrying out policy and doing his job -- the word was that he would have great difficulty passing muster with Senator Helms. And so he was offered the option of coming out as DCM in Cairo. I welcomed him. I had known him as a staff aide in Joe Sisco's day. He had come up very fast and was a very good officer. So I welcomed him. I told Henry that while he wasn't ambassador he had responsibilities considerably larger than many, many ambassadors. I was often traveling, and he had long periods as chargé. So, I clearly was given a good choice of DCM. The Department never said this is the person you're going to take, no matter what, as DCM. It was my final choice.

And usually for the senior minister-counselor I had a lot to do with picking the right person for that job because it required not only a good economist, a trained economist, but also someone who had the person-to-person skills to be able to work with the economists, and particularly the director, of the AID mission who were all good economists themselves, and who tended to

ignore the embassy economic staff instead of saying let's all try to work together. So I did put a lot of effort into working with the personnel system and trying to find just the right people to consider as economic minister counselor. And the same was generally true of the political counselor.

I was never given a choice of who would be the AID director or the public affairs officer, but I was consulted. Word always came out that the AID administrator intends to nominate so-and-so, here is his Bio. I never had any problems with the nominations for those jobs or for the PAO job or for the senior military jobs. They were always good people. I think that their personnel systems knew better than I did who were the best people for the jobs, for this post, in most cases, because they were clearly not going to send unqualified people; it was not a dumping ground. Cairo was a place where they tried to send their best people.

Q: And you had no problems with. . .

ATHERTON: No serious problems. When I got there, the AID mission director was already in place. A very strong-minded, senior, experienced, professional AID career officer named Don Brown. Don ran a tight ship, and he had his own ideas. He was really the author of this rapidly expanding development of a politically motivated AID program. And Don and I had a little bit of jaw-boning in the beginning to establish a relationship. I have great admiration for Don, and I think it worked out very well once our relationship was clear.

Q: Mr. Ambassador, could you give us some idea of the amount of travel you did around Egypt when you were ambassador there and how important you felt that this travel was?

ATHERTON: I attached a great deal of importance to it. I don't think you can get a sense of the country by sitting in the embassy in the capital or shuttling between the embassy and the Foreign Ministry and the presidential palace, so I traveled whenever I could, usually for a particular purpose. I tried to make my travel coincide, for example, with the opening of a major AID project, in Upper Egypt. I usually did this with other members of the staff, so we would be able to interact with the Egyptians where we were at different levels. With the governor, with the governor's staff, with the private business community, etc. I encouraged all of the members of the staff to travel as much as the travel budget permitted.

One of the purposes of this was, well, it was multi purposed. One, of course, was simply to show the American presence, for people to see that there was an American ambassador and an American embassy, and that there were Americans in the country, to help tell the American story. Not in a propagandistic way, but to try to explain the basic elements of American policy towards Egypt, towards regional issues, towards its economic development, the underlying purposes of the AID program, about which there were a great many misunderstandings. But also to try to keep our finger on the Egyptian pulse.

One of the things we would cover in these larger staff meetings once a week was: What are the big issues today that we ought to be keeping Washington informed about? What do the different segments of Egyptian society think of American policy? Was the special relationship which Sadat and later Mubarak had developed popular? Was it just on the surface with certain

elements, was there hostility below the surface? How are we doing in this country, and what should we be on the lookout for? What can we do that will be more supportive of American policy? Or, if we find certain policies are counterproductive, then what should we recommend to Washington to fine tune or adjust our policies towards Egypt, towards Egyptian-Israeli relations, towards Egypt's relations with its neighbors?

So that, in a way, every member of the mission, at least every senior officer, and certainly the officers with responsibility for analyzing and reporting to Washington on the economy or the politics or the society, had an agenda. We all had certain things that all of us kept our ears and eyes open for, and they were fed into usually consolidated reports rather than having a lot of fragmented reports.

We began to try to have more joint reports that would go in from the PAO and from the political section. So that it had become a public diplomacy type of approach. There were good contacts there, particularly the cultural affairs officer with the universities. The universities were probably the engines, if you will, of political dissent when there was dissent and intellectual ferment. It was important to get a very good feel for the political trends in the country in the academic and intellectual community. Sometimes this gave us advance notice of trends that might spread more broadly to the society. It was also one way of trying to measure and to judge the influence of the Islamic fundamentalists on public opinion, and how much this was a factor the government would have to take into account.

So we had an agenda of issues to which everybody was expected to try to contribute -- if not by writing reports, by giving their impressions to the people who were writing the reports in the embassy. So that, in effect, the political counselor had resources that went beyond just his political section.

Q: Well, I like the use of the word "agenda," so the whole staff knew what they were doing and what was required of them and what you wanted them to do.

ATHERTON: Well, I hope they did. I tried my best to see that we had good communications within the mission. In a mission that large, that's not always easy, to keep all the channels open. But it was certainly a priority as far as I was concerned, to try to do this.

Q: Now could you go on a little bit about your, say, relationship with the secretary of state, with the president, with the assistant secretaries back at State. You, having been assistant secretary for Near East and having worked with several presidents on the Arab-Israel issue and the others, knew all of these people. I would think that your relations would be somewhat different from most ambassadors. Could you tell me how that affected you, your method of operation, and whether it was an advantage? Was it useful?

ATHERTON: Well, when I went out, remember, it was 1979. I was appointed by President Carter, and I was recommended for the position by Secretary Vance. I had worked very closely with Vance during the whole preceding two years in the Middle East negotiations, both before Camp David, at Camp David, and afterward. And so I had a very close and comfortable relationship with the secretary. When I send him messages, they would get to the secretary. I

didn't have to go through back channels or around devious ways. And I was perhaps, I won't say close to President Carter, but I worked with him again, at Camp David particularly, on the Egyptian-Israeli peace treaty. And so he knew who I was. I had traveled with him on a couple of trips before I went to Cairo. So that we had, again, I think a comfortable relationship.

Q: Just let me interject one thing. Both Sadat and Mubarak knew that you knew President Carter.

ATHERTON: That's right.

Q: So do you think that had a helpful influence?

ATHERTON: Oh, I think so. You see, I was not a stranger coming to Egypt. I had been coming in and out of Egypt since '73, with Kissinger and then later with Vance on various negotiating missions before the peace treaty. It was after the peace treaty I was assigned to Cairo. So I knew most of the principal players, the president down to the prime minister, the prime ministers in particular, admittedly mostly on the political side. I had to cultivate my relations with the economic side, the academic world, and the private world. But with the leaders of the country, and there were not all that many of them, I did have the advantage of having known them, so that, as far as they were concerned, I was part of an effort in the peace-making process, which was the most important thing on their minds in those days. So I did have an advantage. I was not an ambassador who felt I had to have a direct line straight to the White House.

Q: They didn't know that you didn't.

ATHERTON: No, they had to assume that anything that they gave me would get to the president. But my own channel was, as it should be, through the secretary of state. And, of course, through the president's personal representative on the negotiating side, Bob Strauss who was, of course, very close to the president, and Sol Linowitz, who was also close to the president. But they both worked closely with the secretary, too; they didn't try to bypass the secretary. So there was no need to worry about channels. And, of course, the assistant secretary, who was Hal Saunders when I first went out there, had been my deputy, and we had a very close relationship. We carried on a lot of informal correspondence. We had a secure telephone and we could discuss things that way, so that preliminary informal exchanges of views could take place without their getting into the formal message traffic, at least until it came to the making policy recommendations or policy decisions which obviously had to be recorded in formal messages. And then the instructions would be sent. There were a lot of preliminary exchanges. I was consulted, not just sent edicts that said "go tell the president this" without having a chance to comment on it.

Now after the elections -- but to back up again a moment, Secretary Vance resigned before the end of the Carter administration over his difference with Carter on the hostage rescue operation in Tehran, which I described earlier as the operation was staged through Egypt. Egypt was instrumental in that whole process. But Secretary Vance didn't agree with this, he tendered his resignation and was replaced by Senator Muskie as secretary of state. That was a brief period, and I had not known Muskie personally.

But the relations with Egypt were such that there were, at least every year and sometimes more than once a year, working visits to Washington by the president or sometimes it would be the vice president of Egypt, during the Sadat period. And the ambassadors always went. So I had many occasions, more often than many ambassadors, to get back to Washington and see the president, see the secretary, see the people in the State Department and in the other departments, the department of defense because of the big defense programs, treasury, commerce. There were more occasions than usual for me to renew my several points of contact in Washington. And that continued even under Mubarak after the Sadat assassination, during the Mubarak period as well. Usually, I would guess it was twice a year, I would have a chance to get back on one of these important visits.

And Betty had her own schedule. Mrs. Sadat, during the Sadat period, came on a very major goodwill visit to the States sponsored by the Smithsonian Institution entitled "Egypt Today." Betty was asked to go along, and she flew with Mrs. Sadat on President Sadat's plane, which was made available for Mrs. Sadat. So we had that good relationship going on the spouse side as well as on the ambassadorial-presidential side.

I was also very close, particularly with the first prime minister during my tour, whom I had known during the latter part of the peace treaty negotiations, Mustafa Kahlil was a good strong prime minister, who, incidentally, graduated from Indiana University, a very strong prime minister, and I had a very good relationship with him. I could call up and go see him almost on a moment's notice. Usually we had private meetings. He was a very good channel to Sadat. Other prime ministers didn't have that same standing, but as long as he was prime minister, it was always a very good relationship. He was also one of the architects in making the peace treaty with Israel work, and I had a lot of business with him in that area as well. And, being an economist, he took an active interest in the economic policy of the country. He was a political and economic contact at the most senior level until Sadat decided that he disagreed with some of Mustafa Khalil's policies and, in effect, honorably retired him to be speaker of the Parliament.

Q: I haven't asked you anything about the diplomatic corps. Were any of the other ambassadors of any use to you?

ATHERTON: Yes, some were. There were some. One learns eventually who are the savvy and able ambassadors, who are well informed and who can help broaden one's circle of analysis and information. There were several who were excellent. The British ambassador most of the time was Michael Weir, who was an old hand in Arab service, and I relied heavily on exchanges of views and impressions with him. But there others. There were some good, first-rate French ambassadors. Another that was useful in that period was the Yugoslav ambassador, very well connected. I'm probably leaving some out who would be hurt if I did. There were certainly others. Then, of course, there were some who really weren't very much in touch, with whom you didn't spend a lot of time - just enough to be polite. But there were maybe a half a dozen of these ambassadors who were really well plugged in and well worth keeping touch with.

Q: Did they take up much of your time? They can in some places.

ATHERTON: Early on I got some indirect messages of unhappiness from some of my diplomatic corps colleagues that I wasn't paying enough attention to them, that I was spending too much of my time just dealing with the Egyptians. And I think it was probably true. We had so much business going on with the government of Egypt that it was really very time consuming. Between that and all of the American congressional visitors, and executive branch visitors, and high-level business delegations, all had to be personally attended to. All had to be briefed every time.

Q: That brings up something I wanted to ask you about. Can you tell us a bit about your relations with the American business community, just the local American community there. How did you deal with them?

ATHERTON: Obviously I couldn't deal with all the private community on a one-on-one basis. I did encourage the people on the staff to do so, particularly the economic staff, the USIA people and the AID people, and above all the commercial counselor who had an open door to the American business community. And if any of them had problems they felt they had to see the ambassador about, I would always try to do it.

One way of doing this was attending the local Rotary Club, the American and Egyptian business people were there, trying to see them in groups. Betty and I would have periodic social affairs, which were not large receptions or dinners. The residence wasn't all that big, there was only a certain amount of space, so we couldn't have hordes of people at one time. And we would try to always be sure that the guest list included at least some representatives of the business community. We also had of course the academic people from the American University of Cairo, which is a long-respected American institution in Cairo. It was a source of great help in the early days in meeting and getting to know the academic and intellectual community. Many of their professors also taught at the Egyptian universities.

Also, there were frequent visiting artists who came out under the auspices of the USIA, piano soloists or small jazz combinations, dance troupes such as the Martha Graham dance group. And we would use that as a focal point for invitational performances. Usually, if it was a small enough group, we would have one invitational performance at the residence, and we would invite people to come and hear the piano soloist, or the jazz band, or the dance group, or whatever. Then they would have a larger public performance at the university or at one of the public theaters, all of this organized by USIA. But we did try always to have at least one invitational performance, and that was a good occasion for giving members of the private community a chance to be in touch with the official community, not just for me to talk to them, but to bring them and members of the staff together.

We did not do a lot of entertaining, quite honestly, for the diplomatic community. We had an annual Fourth of July reception, and that was our principal event for the diplomatic corps once a year. But then we would have selected members to some other affairs. But it was a big community to keep in touch with, and there was no way that I could do it all on a one-to-one basis. I could try to set an example and encourage members of the staff. I think we had pretty good embassy-private community relations as far as I could judge.

Q: Could you tell me how you used your DCM. What was his function?

ATHERTON: I used him as my hands-on manager. I tried to work through him on both substantive and on management and administrative matters. I probably overworked him, because I did not want to get myself so bogged down in details of administrative, particularly personnel issues, that I was not free to devote myself to policy issues and bilateral relationship issues, the big issues in our very large program. So I used the DCM a lot as my alter ego.

Q: Did you encourage everyone to use him initially before coming to you, so that he knew everything that you knew?

ATHERTON: Oh, yes. The office setup when I got there was interesting. There was a front office suite in the old villa, which had been the embassy chancery for years. It's gone now. There is now a high-rise tower office building. All the time we were there we operated out of the old villa with lots of annexes. The front office suite was a kind of barrier, with a railing across the front of it. On the left as you came in was my office, and on the right was the DCM office. The DCM's secretary sat in a little office next to his, off by herself, which was the main entrance to his office. And there was a sense of division. And after thinking about it awhile, I said we've got to make this a single front office. So the first thing we did was to take that railing down so that people could come in and not be stopped by a barrier. Secondly, we brought his secretary out into the central area where my two secretaries were, so that the secretaries were there together. And then we made the door to his office which opened into the central area as his main entrance, so we created physically an arrangement that it made it clear the DCM and I were all part of the front office team, and not the ambassador here and the DCM there. And he and I would be in touch all day, within shouting distance of each other, across the front office. I tried very hard to have matters go through him although I didn't say nobody could see me directly. If they felt they had to see me, I would trust that they would have a good reason, and I would do it. I did not, incidentally, have a staff aide, as is usual in an embassy that size. I inherited a staff aide, who was a junior officer assigned to the Consulate in Port Said. But Port Said required only a couple days a week work, so he became an aide to ambassador Hermann Eilts. I inherited him. The reality was that I had a secretary who had been with me already by that time seven, eight years. She went out to Cairo to be my secretary, Helen Kamer. And Helen was secretary, staff aide, and everything else. She was very strong-minded and very efficient. I had had staff aides in Washington when she was my secretary, and there had always been a question of who was in charge here, Helen or the staff aides. And I didn't see any sense in duplicating this kind of a problem, so I just said I don't need an aide and Helen could function as everything. I did not have a staff aide all the time I was there; my successors all had. In retrospect, maybe it was not the most efficient way to run a front office, but it was certainly a more convenient way in this case.

But I did try to use the DCM as an alter ego and make sure he was informed of all I was doing, and certain things I really tried to leave for him. For example, we had a science officer who was a very senior officer not from the career service. He had entered as a specialist at a senior level with an academic background. He was very good as a scientist, but he had not had a lot of experience working in a team operation. But there was an important Egyptian scientific community, and there were things that we could get from his meetings which were of general interest and not just to the science world, or to the office of scientific affairs in Washington. And

there was always a certain amount of friction because the AID mission had its own science and technology office dealing with AID programs that they were funding. And the science counselor felt that he should be in charge of all this, and the AID people felt that they should be in charge. That was a problem I figured had been around for a long time, so I asked the DCM to take that on. He had to negotiate between the science attaché and the AID science and technology officers.

There were certain security functions I asked the security people and the counselor for administration and the embassy security people to try to handle at the DCM level. The DCM oversaw the whole management, administrative side of the embassy on my behalf and brought to me only those issues that couldn't be resolved in that way. And that was a big job, because there was an enormous administrative staff. We handled all the housing for the embassy. People didn't get out on the market to look for their own housing.

The maintenance of the buildings -- the embassy as well as private residences -- the motorpool, all was done by people who were on the staff of the embassy. The Egyptian services were just not up to this. Many of those who were skilled mechanics, plumbers and electricians had all been siphoned off to the Persian Gulf, where they made a lot more money. So the quality of services in those days really was not great. And the only way to be really sure you got the work done right and on time, on the maintenance side was to have your own maintenance staff. At one point, we had thirteen general service officers, doing everything that in many embassies would have a staff of senior national employees in charge of. We weren't able to staff such positions. We had some very good foreign service nationals. But there were certain services we couldn't contract out on the open market. So we had to turn to direct hire. Many embassies would contract out the maintenance of the motor pool. We had mechanics assigned to the motor pool on the embassy payroll. It was a big thing, property maintenance, and automobile and equipment programs. So I had the DCM work closely with the admin. counselor on all of these things.

I meant to say earlier on, I think it's worth noting in passing that the hardest position I had to fill successfully was counselor for administration. It was a tough job; it was very demanding, somewhat a mission impossible. The counselor for administration when I got there was burned out. One of the first things that was apparent to me was that we had a very real problem of coordination on the administrative side. It was too big for anyone except an experienced, skilled senior administrative officer to manage.

Q: He would have to take care of the AID mission as well?

ATHERTON: We had a joint administrative section that was staffed by State and AID people, together. They did all the administrative work for the entire embassy, including the AID mission, and some of the smaller units which didn't have their administrative staffs. The office of military cooperation (OMC) had its own administrators. But the big jobs were AID and the other components of the embassy, State, USIA, and the other smaller units. We had a joint administrative section, and we needed a strong person to head it. The way it was set up, the admin. counselor was a State Department officer and his deputy was an AID officer.

We found ourselves without an admin counselor and there were problems that were beyond my understanding at the time, or the DCM's. So I asked the department, I said, "I need a

management team." The department then had, and perhaps still has, a system of assigning a field team to go out to a post to do an analysis of their administrative and management problems, and then make a recommendation of the post's needs. It was an administrative inspection, but it's done especially on call at the discretion of the ambassador. And I requested this early on, because I could see that we were in deep trouble in the management and administrative side of this embassy.

And they sent out a good team under a skilled senior admin officer named Bob Blackburn, who had been, I think, admin counselor in Rome. He was detailed to come to us as acting admin counselor until the department found a new one, as well as to head up this team. And he did a crackerjack job. They came up with good recommendations, and then, of course, it was a problem of implementing. And so I asked if Bob Blackburn's TDY could be extended and stay on to start the implementation. The department approved. And he really kept us afloat until we finally, after going through at least one other admin counselor who couldn't manage the pressure, finally got a first rate admin officer. He came out, I think he had been admin officer in Bonn, a European background, and he was persuaded to take this on the assurance that after that he could almost have his choice of post. He did, in fact, go on to become head of the joint administrative section in Brussels, which was providing administrative services to all five of the US embassies in Brussels. But he was very good. First rate.

There was a brief period when we had a man who had been the deputy of the admin section, the AID man. But we had, if I remember correctly, counting the temporary, we had one, two, three, four, five admin counselors, six by the time I left, during that four and a half years. Now some were very short-term, they didn't work out, and the one who finally put things together was the one I mentioned, Earl Bellinger, and he did get his Brussels assignment. He was replaced by another excellent officer. But that was the real problem area at the embassy. In addition to everything else they had to oversee the building program. We had an FBO representative there. We were building a new chancery, a new residence, and three apartment buildings for staff housing, all at the same time, which is a big building program, in a country where building anything was a very complicated process. I won't go into this as a lot of it was also a disaster area. Well, that's another story.

Q: Well, let's see. That pretty well covers it. I would like to have you make a couple of comments, it's sort of customary to ask an ambassador himself, who's had a pretty fantastic career, what was the most outstanding, the most rewarding part of your career? Is that a fair question? We always ask it.

ATHERTON: I think there were different rewards at different times. I have to look back and say that there were highlights and there were periods that I don't have very strong memories about. Most of my assignments at the time I had them were rewarding. The first one was obviously a learning one. But to be in Bonn when the transition from military government and occupation to the Federal Republic was taking place, with the division of Germany being sealed, was a moment of history. To suddenly discover the Middle East, which I had known little about, in Damascus, the center of the birth of the Arab nationalist movement, to be there only four years after the end of the first Arab-Israeli War, when the future of the area was beginning to settle into patterns which are just now beginning to be broken -- that was another moment in history.

I suppose, in a way, the highlight of my earlier years was being the principal officer in Aleppo, being assigned to open the post and being in charge was pretty challenging at a junior level. That had to be a high point. I won't say the Indian assignment was one I considered particularly rewarding. After that the whole experience of being in Washington, being a part of two secretaries', both Kissinger's and Vance's, inner circle Middle East negotiating team was unique. But I wasn't unique, because there were other people on the team, like Hal Saunders. Hal Saunders and I were together on this all this time. There were others who came in and out.

Q: Whereas they came in and, you were always there.

ATHERTON: These were all rewarding. I can't say there was any one that stands out over the others. Cairo, obviously, being ambassador there was, as I look back on it, a highlight of a career that built up to it over the years. It's interesting, because I didn't start out with the conscious decision to become a Middle East specialist. I thought I was going to be a European specialist. I had French and German, which I thought I could use. But I didn't study Arabic, I went straight to the Middle East from Germany without any area training, except a couple of weeks in the FSI studying the history and culture of the area. I remember Ed Wright at FSI, who is a legend, or was in those days. I just became sort of a Middle East specialist by accident. But I did ask to stay in the area, when offered the opportunity to return to Germany in 1956, and I got involved in the Arab-Israeli conflict, and that became the focal point around which everything else centered. I did not have a deep academic background, and I never did become an Arabic language speaker.

I guess I would not say that today I would be a very good candidate for that ambassadorship. I would not recommend somebody going out to an Arab country without knowing Arabic.

Q: Even Cairo?

ATHERTON: Well, in Cairo it's maybe not quite as important, because in Cairo everybody there that you deal with, anyone at almost any level has had a fair amount of English. But still, not knowing the language means you don't have quite the same feel for the country. Even if you do your business in English, to be able to know the nuances of the languages is to know the nuances of the culture and thought processes of the people of that country. The language reveals the cultural distinctions, which are terribly important to understand. I guess I picked a lot of them up by osmosis, but it was not a conscious learning process as much as on the job training. I wish, in retrospect, that somebody had said to me, you've got to take a year out and learn Arabic.

Q: I'm not sure you could have learned it in a year.

ATHERTON: I know I couldn't have. I guess it is a two-year course. I was always being rushed on to the next assignment without time out for training. I had some short term training along the way but I didn't have the chance to learn Arabic. And, of course, I ended up my career doing something entirely different. I don't know whether you wanted to take a little time to give you the denouement.

Q: Why don't you do that. Just wind it up as you would like.

ATHERTON: We had been in Cairo since mid-1979 and we had been through turbulent times beginning with the Iran hostage problem, the downfall of the government and the revolution in Iran, the Shah receiving asylum and dying in Egypt. The Soviet invasion of Afghanistan had a ripple effect through the region. The building of what became known as the special relationship between the US and Egypt, begun under Sadat, continued after his assassination under Mubarak. I had to adjust to a new secretary of state after Reagan was elected, and the new secretary and president had a new style and new priorities. The AID program was suddenly to become more of a private sector program. Al Haig had a different world view and a different view of the Middle East than Cy Vance . He tended to be what I thought was a bit of a throw- back to the cold war of the Dulles period. He tended to view the Middle East more in terms of our cold war relationship with the Soviets and the need to forge a "strategic consensus" with all of our friends in the area, which included working toward a comprehensive peace but did not give this first priority. This was not a very salable item -- to tell the other Arabs that what we really wanted was for them and the Israelis to get together and stand with us against the Soviet Union. To get a strategic consensus was an anachronism -- either an anachronism or ahead of its time. It wasn't a policy that would go down very well in the Arab world at that stage. And then, of course, after the Israeli invasion of Lebanon George Shultz came in, so I had to adapt to another secretary. My personal relationships were much closer, I guess, with George Shultz than with Al Haig. In any event, by 1983, we had been in Cairo four years, and I was hoping to stay although that was already longer than the average tour. Most tours were only three years. Hermann Eilts had been there five and a half, and I thought it would be nice to match Hermann's tour. Sam Lewis had been in Israel longer than I was in Egypt, and it looked like he would stay on for a while. I liked Egypt, and I thought there was a lot to do there; it was still an interesting time, a lot of challenges. So I planned home leave in the summer of 1983. By the way, the second home leave of our career. I hadn't had home leave since 1956 until then, because we were in the US 1959-61 and again 1966-1979 - an unusually long Washington tour. We had every expectation of having home leave in 1983, in the summer so that we would be in the States for our younger son's wedding. But we expected to be going back to Cairo at least for another year or so.

While we were in Oregon at the farm of one son getting ready for the wedding of the other, I had a phone call from Dick Schneider, who was the senior deputy assistant secretary for NEA, saying, "Roy, have you been listening to the radio lately or seen the papers or watched television?"

And I said, "No, I'm at the farm getting ready for the wedding. and I'm sort of out of touch."

Well, he said, "Then let me tell you first before you hear it otherwise that the President has just announced that Nick Veliotis is going to replace you in Cairo."

I had heard nothing about this at that point at all, so I was annoyed. I guess I sounded annoyed, because the next day I got a phone call from George Shultz saying that he understood that there was some mixup and I hadn't been informed in advance. He wanted me to know that he had very important plans for me and that when I came back from home leave to Washington he wanted to see me and to talk about this.

Well, it turned out that what he had in mind was to be Director General of the Foreign Service. I wasn't told that at the time. And I wasn't really quite ready to leave Cairo. In fact, the suggestion was even made that since I was to be aboard for this new job by the end of the year maybe it really didn't make a lot of sense to go back to Cairo at all. I said, "That's totally unacceptable." I didn't say this to the secretary but the personnel system. "That's totally impossible. We've got to go back and say farewells to a lot of friends that we'd worked with over a period over four and one half years. Besides that, it would not look right; it would be misunderstood if I were suddenly never to return and make a proper departure. Besides, you know, we've got a house full of things to pack and just a lot of personal things that have to be done. So we have to go back, and we have to stay there long enough to have a decent departure. We couldn't just pull up our tents and leave in the night."

I found out, incidentally, that the reason this all came about was something of a comedy of errors. Phil Habib had stayed with us in Cairo on one of his trips seeking to negotiate a solution to the crisis caused by the Israeli invasion of Lebanon in 1982 to destroy the Palestine Liberation Organization. During that visit Phil asked me: "Roy, what do you want to do after Cairo?"

And I said, "Well, I think that the Foreign Service has been awfully good to me and I owe it something. And one job I might be able to do and repay a bit of what I've had would be to take over the personnel system to be Director General for a tour. I thought it was important that all officers do their part on the management and personnel side of the State Department as well as on the foreign policy, substantive side. So I said someday I'd like to do that."

Well, apparently Phil mentioned this to the secretary, but it got translated into saying I was ready to come back to the US to be Director General, which was not exactly what I meant; it was just something that I thought would be down the road somewhere. On top of that, somehow the personnel system didn't, when it knew this change was coming up, pick up the phone and call me ahead of time and say be prepared because you're up for reassignment.

I think it would have been easier. One thing I did as Director General as a result of this lesson, was to make sure any ambassador who was being replaced was informed by my deputy or me before it happened.

DAVID G. NES
Deputy Chief of Mission
Cairo (1965-1967)

David G. Nes was born in Pennsylvania in 1917. He graduated from Princeton University with an A.B. degree in history in 1939. Since joining the Foreign Service in 1946, his career included posts in France, Scotland, Libya, Morocco, Vietnam, and Egypt. Mr. Nes received a Superior Honor Award in 1968. Mr. Nes was interviewed by Dayton Mak in 1992.

Q: You went on to Cairo as DCM and Minister where you were from 1965-67. Tell us what your

experiences were in Cairo, particularly who you saw on business and can you give us just a bit of the flavor of US-Egyptian relations at that rather difficult time?

NES: As you probably noticed, I arrived in Cairo in late June 1965. I found through my Foreign Service experience that when a new DCM is arriving, the ambassador usually arranges it to occur just before the Fourth of July so he can go off on leave and turn over the Fourth of July party to the new DCM. That is, in fact, what happened.

Before he left, our Ambassador at that time, Luke Battle, took me out into the garden for a little confidential chat. He gave me quite a scary summary of the deteriorating US-Egyptian relations following the recent burning of the USIS library and the downing of an oil company plane in the desert by Egyptian fighters. He made it very clear that Washington took the dimmest view of all this and was becoming more and more anti-Nasser, but that he, himself, felt that we should do everything possible to maintain reasonable and normal relations. He just wanted me to have that view of his before he left for a week or so.

We had quite a struggle through the next year in maintaining any sort of program assistance for Egypt and I would say that was our principal mission up to the months preceding the so-called June War. Our relationship, however, with individual Egyptians was absolutely perfect. I had access to the people you would suppose a DCM could see, not President Nasser, of course. But I had access to the Foreign Minister and the various area heads in the Foreign Office at any time. Also to the heads of the various departments of government, particularly on the economic side. Life in Cairo was very agreeable as far as our relationship with the Egyptians was concerned. My wife became a close friend of Mrs. Sadat whose husband, and later President, was speaker of the Parliament. They met to brush up Mrs. Sadat's English every Thursday for a year.

Q: We have your account of the June War which will become a part of this interview. Have you had any second thoughts since doing that several months ago? Do you have anything you would like to add to that?

NES: Not with particular reference to the immediate weeks preceding the June War which were captured in the little paper I gave you. But our relationship with Egypt was very difficult because of the feeling in Washington, particularly in other agencies on the government than the State Department, that Nasser should be penalized for the various activities he was carrying on which we considered contrary to US interests. Particularly in the Saudi Arabian Peninsula, the Port of Aden and in that general area, which, as you recall, he had quite a substantial land force at the southern end of the Peninsula and was actively involved in the civil war between the two halves of the Yemen.

We had various embarrassing set-tos with him. At one point, our AID mission chief in the Yemen for some unknown reason stored a lot of very highly classified cables in his office safe unlocked which Egyptian intelligence got hold of. Of course they accused us privately (it never went public) with trying to damage their interests in that area and, in particular, to take sides in the civil war. So we had a lot of little difficulties as time went on.

We really worked very hard to persuade Washington that it was in our long-range interests not to

drive Nasser into such a corner of frustration that he would lash out in some unreasonable way, either against Israel or Libya, against our interests in Egypt itself. I would say that to Luke Battle and myself, that was our principal mission during those several years -- to try to build and maintain a normal relationship with a very important country in the area.

Q: There has been a lot of speculation and discussion, pro and con, on Nasser's feelings and attitude towards the United States. Some people point out that they were very ambivalent. Can you give us your view of Nasser's feeling and what influenced and caused his anti- American actions? Were they reflexive as you have suggested or were there more basic reasons? I come back always to the Palestinian issue and how that impacted on his thinking.

NES: Again, it does seem curious to all of us now that the Palestinian issue did not play a major role in our relationship with Egypt, or in fact in Nasser's thinking at the time. I think he was convinced, rightly or wrongly, that the Johnson Administration was out to get him. He based this on the fact that we were doing or not doing a lot of fairly minor things. We were holding up the PL 480 wheat program which was absolutely essential to feed his people. We had vetoed a nuclear desalting project that was very close to his heart and one in which we had promised him assistance initially. We had withdrawn a mission by Secretary Rusk who was scheduled to come to Egypt and abruptly canceled. There were just a whole litany of little things that Nasser felt were demonstrative of the aim of the Johnson Administration to bring him down.

Q: You served in a variety of areas, the Far East, Europe, North Africa and in Washington. Of all your jobs which one did you find the most interesting, rewarding, not necessarily the most enjoyable because you probably had some unattractive times, but do you have a favorite set of experiences in one post that you would like to mention?

NES: . . . Egypt was the most challenging because our difficulties there were mounting. It was very obvious for the last six months that something was going to break, and we were going to have another Middle Eastern war on our hands.

Q: Thank you David. You had a really marvelous career and you retired in 1968 with the Superior Honor Award.

CAIRO (1967)

The following is an account of the Six-Day War as viewed from Cairo, Egypt, by DAVID GULICK NES, who was chargé d'affaires ad interim at the time.

Ambassador-designate Richard Nolte had arrived in Cairo on May 21 but was unable to present his credentials owing to the crisis culminating in the so-called June "Six-Day War." David G. Nes, chargé d'affaires, continued to conduct the affairs of the embassy during this period until Egypt broke diplomatic relations with the United States and the embassy was closed. Nes recalls the events immediately preceding the war, including unsuccessful attempts by the United States to prevent a war by allaying Nasser's fears of an Israeli attack. He also describes the Embassy's

organization during that period and how the Americans were evacuated to safehavens.

NES: Tensions between the "front line" Arab states and Israel had been increasing during the past year -- engendered by guerilla attacks across Israel's eastern border and Israeli reaction such as its raid on the Jordanian town of Samu and its later destruction of six Syrian MiGs on the outskirts of Damascus. A reported statement by Israeli Chief of Staff, General Rabin, on May 12 to the effect that his forces would occupy Damascus and overthrow the regime set the stage for the subsequent events leading up to the "June War." Meanwhile, Arab criticism of Nasser and demands that he do something intensified.

The next day, the fuse was lit when Soviet Ambassador Pojidaev informed the Egyptian Foreign Office Under Secretary Al-Fiki that Israeli troops were moving for attack on the Syrian border. On instructions from the Department, I called on al-Fiki May 16 and informed him our intelligence reported no unusual troop movements in Israel. This was passed on to Nasser, who is reported to have considered this demarche as merely the cover for an Israeli attack. By this time, relations between the United States and Egypt had sunk so low that Nasser seemed to believe that we were in collusion with the Israelis to destroy his regime. The origin of this belief stems from the history of U.S.-Egyptian relations over several previous years which is beyond the scope of this discussion. In brief, Nasser seemed to be reaching a degree of frustration bordering on irrationality.

From May 13, the events moved quickly to crisis proportions. During the 14th and 15th, Egyptian troops ostentatiously paraded through the Cairo streets en route to the Sinai. In my conversation with al-Fiki on the 16th, he explained this move as purely defensive and only designed to respond if Israel attacked Syria massively.

Ambassador-designate Nolte arrived the evening of May 21 and in remarks to the press discounted any possibility of war or of a crisis situation. The next day Nasser, in a speech to an officer group, announced that he was closing the Straits of Aqaba to Israeli shipping. Such a move had always been considered a *casus belli* by the Israeli government.

On the 23rd, President Johnson sent Nasser a personal letter expressing friendship with a plea for avoiding hostilities and offering to send Vice President Humphrey over to discuss the crisis. On May 26, the provocative editor of *al-Ahram*, Mohamed Heikal, had published an editorial to the effect that war was inevitable. In the embassy, we had already begun preparations to evacuate dependents and non-essential personnel, and accomplished their departure easily by chartered aircraft from Cairo to Athens, May 26-29. My wife and two younger daughters left on home leave orders on the latter date. (We had been planning to leave July 10 in any event). On the eve of their departure, Mrs. Anwar Sadat, wife of the future president, telephoned my wife to express sorrow at this distressing turn of events. She had invited my wife to come to her house once a week to help her with her English for the past year.

Needless to say, the week preceding June 5 was one of frenzied diplomatic activity, and the cable traffic between the embassy and Washington kept our communications and secretarial staff working 24 hours a day.

While Nasser was obviously endeavoring to soften his provocative moves of the previous week, the embassy had no reason to believe from the cable traffic that Israel would long delay a military strike so as to permit diplomacy or an international naval presence in the straits to de-escalate the crisis. We began discussing the possibility of a break in diplomatic relations and the further evacuation of both official and non-official Americans should war come. The embassy, meanwhile, was not kept fully informed of our contacts with the Israeli government, but gained the impression that we had neither requested nor obtained a "no first strike assurance" such as we had asked for and gotten from Egypt. There was some belief that the Israelis had given us several weeks of grace to "open" the straits by diplomatic or military means; that is, until June 11 or thereabouts.

As the first days of June approached, plans initiated by the Egyptian government were set in motion to send a delegation to Washington on June 6 headed by their vice president Zakaria Mohieddine.

In the embassy, we established a sort of crisis center headed by our very able Arabic speaking political counselor, Dick Parker, assisted by the CIA station chief Bill Bromell, PAO [public affairs officer] Bob Bauer, the administrative counselor, Martin Armstrong, and the consul general. With dependents and non-essential personnel out of the way, we concentrated on our relations with the key Egyptian ministries, namely foreign and interior, and on the exact location of all American residents, including many distant from Cairo or in the Suez oil fields.

By Sunday, June 4, we seemed to have reached a day of quiet and some moderate optimism. We had a "no first strike" pledge from Nasser. The Mohieddine Mission was going to Washington, and 11:30 A.M. the next day had been set for our ambassador designate to present his credentials. There seemed a chance, albeit slim, of a peaceful outcome.

During the morning I attended services at the Anglican cathedral and then lunched with Ashraf Ghorbal from the foreign office (later ambassador to Washington) who was organizing the Mohieddine Mission; and after checking the embassy, went out for nine holes of golf with dinner thereafter at the John Dormans (American Research Center) on their Nile river boat. In fact, we were in the eye of the hurricane. Cairo that night was a dead city, the streets deserted, building blacked out and car lights blue.

On Monday, June 5 the chancery began the day routinely with the 8:00 A.M. staff meeting. We discussed continuing the evacuation of remaining Americans to Alexandria, the Mohieddine Mission, Nolte's presentation of credentials -- who would accompany him and what he could appropriately say to Nasser. As the meeting broke up shortly before 9:00 A.M., Radio Cairo reported Israeli air attacks throughout the country. Outside we could hear explosions in the direction of Cairo West airfield and some anti-aircraft fire, but no Israeli planes were visible over Cairo. I immediately called Judge and Mrs. Brinton (an elderly American couple retired in Cairo) who awaited an embassy car to take them to the airport for an Athens flight and told them to sit tight. Shortly thereafter, the Foreign Office called canceling Nolte's presentation of credentials. The next day, John Dorman arranged for the Brintons to reach Alexandria.

Throughout the day Cairo Radio and TV reported gigantic Egyptian air and land victories. The

mood throughout the city was euphoric amid periodic air raid sirens which just seemed to stimulate greater enthusiasm. From the BBC we were getting another story. That evening I attended a small garden cocktail party at the Bauers in the midst of which all hell broke loose overhead. While no Israeli planes could be seen or heard, anti-aircraft fire was intense and showered us with shrapnel, forcing all the guests indoors for the rest of the evening. A modified diplomatic and intra-Embassy social life continued through the week, but all official Egyptian contacts seemed to disappear.

The following morning, June 6, the early morning Cairo Radio broadcast reported that U.S. and U.K. planes had participated in the air attacks of the previous day, and the mood on the streets of Cairo became ugly. The big lie was obviously orchestrated to explain why Israel alone never could have defeated the Egyptian air force -- i.e. shades of Suez. We advised all Americans except those needed in the embassy crisis center and communications to stay at home. Our communications were switched from commercial channels to our emergency radio links through the Sixth Fleet. Later that morning, our consul general in Alexandria, David Fritzlan, called on the emergency radio to report his offices were under attack; and that he and the staff had retreated and were barricaded in the communications center on the second floor. Within a few minutes he reported the mob had set fire to the building and his radio went dead. Very shortly thereafter, a similar distress call was received from our consul in Port Said, whose offices were also under siege. Happily, within the hour, the British consul in Alexandria called to say that Fritzlan and staff had been evacuated safely and taken to the police station for safety. The situation in Port Said was similarly resolved. Our buildings in both cities were virtually destroyed, but no one, miraculously, was injured.

In Cairo, we asked the minister of interior for full protection, which was quickly forthcoming and involved a paratroop company around the embassy and small military units at the embassy residence and my residence on Sharia Wilcox in Zamalik.

Early that evening, Nolte was called to the foreign office and handed a note breaking diplomatic relations. I followed up with the chief of protocol requesting that we be permitted to retain under a protecting power twenty-four officers and an adequate support staff, the same complement permitted Britain following the Suez War. This was refused, and further talks were agreed to for the next day.

We had strongly recommended to Washington that Spain be requested to handle our interests. The Spanish ambassador in Cairo, Angel Sagaz, had exceptionally good relations with the Egyptian government and was a very personable, competent career diplomat. The Department reluctantly agreed because they were not enthusiastic about asking the Franco government for anything and feared media and political criticism.

At 9:00 P.M. representatives from the interior ministry called at the chancery and demanded that all Americans in Egypt be immediately concentrated in the Cairo Hilton Hotel -- an impossible and impractical order based on out-of-date lists, which our consular staff corrected for them.

Wednesday, June 7, I spent much of the day in frustration shuttling between the Foreign Office and Spanish embassy seeking agreement on the embassy staff we could leave behind. Back at the

chancery, talks were underway with embassy Athens to charter a ship for evacuation from Alexandria. The Egyptian government had demanded that all Americans, except the agreed number, leave by Saturday, June 10. This involved about 550 all together including those already in Alexandria and Port Said. Those in the Suez Gulf oil fields were being exempted. The mood in Cairo was becoming increasingly threatening as reports of Egyptian defeats filtered in from the BBC and other foreign stations.

We had already destroyed classified files and code machines. These were equipped with chemical destruction kits. The Marine sergeant in charge apparently misread the directions, and considerable fire ensued on the chancery roof where the machines and files had been taken. This resulted in consternation among the Egyptian troops "protecting" us who assumed it was a bomb, and the equivalent of five to six alarms were sent in to the neighborhood fire houses. The resulting confusion and noise was awesome! The fire was quickly put out without Egyptian assistance. When things calmed down, we officially turned over the embassy to the Spanish ambassador, lowering the stars and stripes and raising the Spanish flag. Ambassador Sagaz seemed a little overwhelmed by the size and complexity of our compound, which was many times the size of his establishment.

Thursday, June 8, we learned from the BBC that Israeli forces were approaching the Suez Canal and had taken Sharm el Sheikh. Egypt, however, refused a U.N. sponsored cease-fire. About mid afternoon, we received an "immediate" message reporting that the U.S. Navy ship *Liberty* was under attack, presumably by the Egyptians, and planes were being launched from the Sixth Fleet carrier *Saratoga* for a retaliatory strike against Egyptian targets. All of us thought, "Well, this will certainly destroy any further Egyptian cooperation for our safety." An hour or two later, a second "immediate" arrived reporting that the attackers were Israelis.

The next day, June 9, we had good news. Embassy Athens had succeeded in chartering a recently renovated cruise ship, the 3,000 ton *Carina* built in Glasgow in 1930. She had accommodations for 150, and we would be 550 minimum. Also, the Egyptians had laid on a special train from Cairo to Alexandria for 9:00 A.M. Saturday morning, the 10th. All seemed in order for a non-eventful departure. The foreign office had finally agreed to our leaving under Spanish protection four officers headed by Dick Parker and some dozen support personnel. They specifically requested that Bill Bromell stay. Since they had read the *Invisible Government* [a book about the CIA], this CIA contact was considered as providing a direct channel to the White House if ever needed. [Bromell had been "declared" to the Egyptian government].

In the course of the day, I paid courtesy farewell calls on six Western ambassadors who had been particularly helpful to me as chargé and on the provost at the Anglican cathedral.

In the early afternoon, Cairo Radio announced that President Nasser would deliver an important address to the nation that evening. Parker, Bromell, Bauer and I repaired to the ambassador's residence for dinner. In the 25 minutes of "Mea Culpa" Nasser assumed all responsibility for the defeat and said he was resigning the presidency. It was perfect theater, as within minutes the streets were thronged with mobs chanting "Nasser, Nasser." During the dinner Ambassador Sagaz called to report that Parker had been declared *persona non grata*; and so Bromell would be left as senior officer to manage the packing of several hundred households and location for

shipment of as many cars left on Cairo streets. What a fate for a senior CIA Officer! From the chancery we could hear numerous explosions throughout the city only to learn in due course they were intended as a sign of support for Nasser.

At 10:30 P.M., we were called by the interior ministry and informed that our security could not be guaranteed in the daylight on the next morning, and we would have to board our boat train at 2:00 A.M. That gave us three-and-a-half hours to round up some four hundred Americans and arrange to get them safely to the station. Leaving Parker in charge, I returned to the Sharia Wilcox residence in an unmarked car with an embassy driver and a marine, both of us carrying several hand grenades. Hopefully, this would give us a chance to escape from a mob were we to be surrounded and attacked. At the house, I grabbed two bags already packed, embraced in farewell our tearful cook, Goma, and proceeded back to the chancery, picking up the Pan American Airline representative George Angelis and his wife, Katy, en route. We encountered one street blocked by demonstrators, we stopped and they passed around us without incident. Back at the chancery, the crisis team had done a magnificent job in contacting all known Americans, arranging for them to reach the embassy compound.

As there was still conflicting advice from the foreign office and interior ministry as to the security situation for a 2:00 A.M. train departure, I sent Bromell out to talk with the director of Intelligence at Heliopolis -- also to try to reverse the decision on Parker. He returned with an affirmative on the first, a negative on the second, and a request that I stay as senior U.S. diplomat. We replied, without reference to the Department, that I would stay if we could retain the complement of officers and staff originally requested. This was refused.

On Saturday, June 10, between 1 and 2 A.M. we began shuttling our people in six embassy cars and a NAMRU [Naval Medical Research Unit] bus to the station accompanied by Egyptian military guards. I sent the Cadillac with two marines around to the residence for Nolte. Finally, as the last to leave, I closed the chancery door for the final time and affixed the Spanish seal.

Aziz, our senior embassy chauffeur, drove the Angelises and me to the station without incident. There we found the train being loaded efficiently and all personnel seemingly accounted for. Just before 2:00 A.M. Ambassador Sagaz appeared, having driven himself through still blacked-out Cairo to say farewell -- a very courageous and thoughtful gesture. (He was later assigned as Spanish ambassador to Washington). The train pulled out at 3:30 A.M. with shades drawn, arriving on the dock in Alexandria at about 7:30 A.M. And then the greatest hassle of the week ensued.

All together, we had some 1500 pieces of baggage which customs insisted on opening and inspecting each and every one except Nolte's and mine. This took six hours until 3:00 P.M. during which time we were provided neither food, water nor toilet facilities. During the day, one of our AID officers became seriously ill with an internal hemorrhage. As he needed immediate surgery, the Egyptian authorities permitted his transfer to a local hospital, where he died shortly after arrival -- the only American casualty in Egypt during the war.

The *Carina* docked at 3:00 P.M. Going on board to talk to the captain, I was informed we had to sail by 5:00 P.M. or wait until the next morning. This involved loading those 1500 pieces of

baggage now being repacked on the dock in considerable confusion. Jim Hutchins, our agricultural attaché, quickly solved the problem by forming a living conveyor belt, or bucket brigade, each piece being passed from hand to hand in a human chain to the total astonishment of the watching Egyptian authorities. By 4:45 P.M. all was aboard, and the *Carina* sailed for Piraeus.

Outside the twelve mile limit, two Sixth Fleet destroyers joined to escort us on to Greece where we reached port at 2:30 P.M. on Sunday, and were met by Ambassador Phil Talbot. The best quote of the voyage came from 89-year-old Judge Brinton, who had joined us on the dock in Alexandria. When I asked whether he and Mrs. Brinton were comfortable in a cabin I had managed to get for them, he replied, "Well, I haven't had such a nice sea voyage since we were evacuated during the Suez War!"

I think there are lessons to be learned from the embassy's involvement in the June War. Some of them are:

1. Never, ever should the White House send a politically-appointed ambassador with no diplomatic or embassy-country team management experience to his post in the middle of a developing crisis with a war near at hand.
2. As a crisis situation develops, a small -- no larger than six officer-team should be established to deal with both the diplomatic and administrative requirements. Ideally, they should include the DCM, political counselor, CIA station chief, administration and consular heads. In our case, we included the PAO because of his excellent local contacts, good judgment and approach to critical problems with both equanimity and a fine sense of humor. Our senior secretary, Mary Pollock, provided office support for the crisis team and did a superb, officer-level job, working 12 hour days or more throughout without complaint.
3. It is very helpful to have a CIA station chief who is "declared" to the host government so as to establish close working relations with the intelligence and security people.
4. Pre-crisis evacuation planning is often useless and -- as a practical matter is replaced by ad-hoc decisions dictated by the local situation and extent of cooperation by the host government.
5. Finally, because of understandable communications limitations, the embassy should be prepared to make hour-by hour decisions without reference to the Department of State.

RICHARD B. PARKER
Political Counselor
Cairo (1965-1967)

Ambassador Richard B. Parker was born in Providence in 1923. He received a degree in engineering from Kansas State University. Prior to joining the Foreign Service in 1949, Mr. Parker served in the United States Army as an infantry

officer. During his career, Ambassador Parker served in various posts in Australia, Israel, Lebanon, Jordan, Egypt, Morocco, and Algeria. He was interviewed by Charles Stuart Kennedy in 1989.

Q: Well, then you went to Cairo as the political counselor. Is that right?

PARKER: That's right.

Q: From 1965 to '67.

PARKER: Yes.

Q: Could you explain what the situation was at the time and how our embassy was run? Was it an embassy at that time?

PARKER: Oh, yes. It was a big embassy.

Q: This is just before the 1967 war?

PARKER: Not nearly as big as it is today but big enough. I was political counselor. In effect, I was the number three in the embassy. Things started popping as soon as I got there, and they never stopped until I left. As opposed to Lebanon, where you are talking about little petty political preoccupations, we are talking sort of life and death matters. War in the Yemen, and war with Israel. People starving. Million dollar, billion dollar projects and so forth.

It was a much bigger country. Ten times the size of Lebanon's population. And much more important.

Q: Well, first, let's talk a little about the embassy. Who was the ambassador at the time?

PARKER: The ambassador was Lucius Battle.

Q: Could you describe how he operated?

PARKER: Well, he had a lot of experience at upper levels of the Department. He knew everybody. He was personable. He operated very much along a warm human basis. He left me pretty much alone as far as reporting was concerned. There were certain things that I did under this general direction. But by and large, I was left alone. He left the daily running of the embassy to his deputy chief of mission, who was at that time David Nes. And I think it was a rather well-run embassy.

We had a lot of problems there. It was a very difficult country. The Egyptians were very suspicious of us. After trying to bring Nasser down under Eisenhower in '57 and '58, we had gradually in the last year of the Eisenhower administration, begun to be a little more sophisticated about Egypt. Under Kennedy, we had embarked on a massive program of PL 480 commodities as aid to Egypt hoping to divert Egypt's attention from foreign ventures into

building of a viable Egyptian economy. It didn't work. Unfortunately, after about three years, it began to come apart. I mean, the whole idea did because of the Egyptian involvement in the Yemen which was seen as a threat to our friend, the Saudis. The real crisis came with the Stanleyville rescue operation. Stanleyville --

Q: Could you explain about how this --

PARKER: Well, this is '64, in the early fall of '64. There was a group of Europeans and Americans who are being held hostage in Stanleyville in the Congo. We flew in Belgian paratroopers to rescue the hostages. There was a great uproar about this among Africans who charged that this was foreign interference in internal affairs in African countries. And in Cairo, there was a demonstration against the embassy in which a great deal of damage was done. The Marine house and the USIA library were burned down. The yard was full of flowerpots that the mob threw at the building and broke all the windows. A lot of damage. The Egyptians never did come around and apologize.

Shortly thereafter, the Egyptian minister of supply asked our ambassador what he was going to do about supplying more wheat. And the ambassador said, "Well, you haven't said you are sorry yet." And as soon as Nasser heard this, he got up and made his famous "drink from the sea" speech at Suez in December of '64 which said, in effect, you know, you can take your aid and stuff it if you don't like what we are doing.

Well, there was nothing better calculated to turn Lyndon Baines Johnson off than a remark like that. From that point on, we were in trouble. We were back into a position where Nasser was a bad boy, and we really had given up more or less the idea that we were going to be able to do business with him.

We continued aid, but we tried to be fine-tune it, I think is the phrase that somebody used. Instead of promising a year's supply at a time, we promised three months or six months with the understanding that if they did something nasty to us in the Yemen or some place, the next three months would not be coming. It was an attempt to use aid as a political weapon. And it didn't work. It didn't work in this case. A classic example of not working.

Nasser eventually convinced himself that we were trying to assassinate him. Our communications were terrible. It was this lack of communications between us and Nasser's paranoia about our intentions which were fed by Johnson's paranoia. The two men were very similar in this respect. Both of them were suffering from what I learned since is called narcissistic rage.

Then the crisis came in May of 1967 that led to the June war, we had no credibility in Cairo. There are still senior Egyptians, serious people, who will argue that the 1967 war was an American-Israeli trap. I just had the Egyptian ambassador here saying to me, "Well, isn't it true you people were trying to bring down Nasser at this point?"

Q: Before we come to what happened there. At this time, when things were getting bad, did you find at the embassy you -- and I'm talking about the embassy as a whole -- particularly you and

the ambassador were trying in whatever way you could to bridge this gap of misunderstanding between the two, or was this a lost cause?

PARKER: Well, we were trying very hard. I never did give up. You know, who was it, Adlai Stevenson who said, "Optimism is to a diplomat as courage is to a soldier." You have to keep looking for the positive elements of the situation that you can exploit. I kept hoping that one way or another, we would get over this obstacle or that. But, you know, it's like Sisyphus pushing that boulder up the hill in Hell. Every time you got to the top of the hill, and you thought you got this thing tied down, whatever it was would come apart because either Nasser or Johnson would say something or do something that was calculated to infuriate the other.

Q: So you are really talking about two very large egos more than national interests guiding this relationship at that time.

PARKER: I think so, yes. I think it was very personal.

Q: And so in many ways, the Israeli factor was not as much as a factor in this --

PARKER: No, no. The Israelis and the Lebanese and the Libyans and the Jordanians and the Saudis, particularly the Saudis -- King Faisal, who once had been an ally of Nasser's against Jordan, now was violently anti-Nasser -- these people and our ambassadors in those places were all urging us to do something to restrain Nasser. The favorite Arab expression for this was "turn off the faucet, manipulate the faucet" in order to put pressure on. The Israelis were in this -- it was not a cabal because they weren't all together -- but they were arguing the same thing. They were making common cause with the Saudis.

But the Arab-Israel question, the Palestine issue, actually was, by agreement with the Egyptians, on the back burner. We kept talking about it being in the ice box.

Q: I take it part of the problem was the Yemen war.

PARKER: Yes.

Q: I mean, this is a war that is often forgotten. Could you tell a little about the Yemen war and how we interpreted it at that time?

PARKER: Well, the Yemen which is one of the more backward countries -- and I'm speaking now of what we call North Yemen today or the Yemen Arab Republic -- Yemen had been one of the more backward Arab countries. Someone once said it was rushing headlong into the fifteenth century. It had a ruler called an Imam, just like the Imam Khomeini. It means Muslim leader.

He was overthrown in an army revolution/coup d'état in 1962. The Egyptians immediately came to the aid of this revolution and began sending troops down there. Eventually, the Egyptians were, in effect, running North Yemen. They were in control, and they were more or less like the Syrians in Lebanon. They were an army of occupation much resented by the Yemenis.

I have to talk about my rescue mission down there in a minute, but I will come back to this point.

The Saudis supported the royal family which, somewhat to everybody's surprise and uncharacteristic of Middle Eastern coup d'états, organized a fairly effective guerrilla campaign against the revolutionaries and the Yemeni army and the Egyptians. And they kept up the fight in Northern Yemen. Occasionally, the Egyptians would come over and bomb places in Saudi Arabia. At one point, they tried dropping weapons to purported insurgents inside Saudi Arabia. This really infuriated the Saudis.

There were a lot of efforts to resolve the problem. We were engaged in one. Ambassador Bunker and Talcott Seelye were engaged in an effort. There was a U.N. effort to try to reach some sort of a cease-fire and a truce. They all fell apart sooner or later. The war was still going on at a rather - what we would call -- a low intensity level of conflict when the war came in 1967.

The Yemen affair, more than anything else, soured our relations with Nasser. Various ambassadors would say to Nasser, or Nasser would say to us, "Our problems are not bilateral. Our problems all concern third countries." In this case, the contest for our affections was between Saudi Arabia and Egypt. And Saudi Arabia won, primarily because of the oil, I think.

To illustrate the degree of Egyptian involvement there. About Easter in 1967, there was an attack on a Yemeni army post at Taizz in the southern capital, where we had a branch embassy and where our aid mission was. This was in the middle of the night. Somebody with a bazooka or bazookas attacked this Yemeni army post. And the Yemenis, at Egyptian prodding, accused two AID Americans, one of whom was an Alexandrian Greek and spoke Arabic, of perpetrating this attack. A mob very quickly formed and sacked the AID offices. And President Sallal, ordered the withdrawal of the AID mission, and we sent everybody out to Asmara over in Eritrea.

In Asmara, the AID mission director, a man named Robert Hamer, said sort of incidentally, "There are some classified and compromising papers in the safe behind my desk." The place had been sacked and stormed by a mob at the lunch hour when everybody was out of the building, and the Americans had never gotten back in. He said, "You really ought to try to see if you can get those back." Well, we began trying to get entry back into the building. The building had been sealed by the Yemenis at Egyptian direction. The Egyptians were in there. Our people could see them at night with a welding torch trying to cut their way into the safe. It was a little safe. A two-drawer safe. And the ground -- well, I can't quote from that, this is a family record. But you could see the traces of this thing all throughout the building. The asbestos lining of it had come out as they had taken it from one place to another and tried hitting it with sledge hammers. They finally carted it away, and they got it open somehow. We never saw that safe again.

Eventually, Dean Rusk, the Secretary of State, negotiated an agreement by telegram with Abdul Hakim Amir the commander of the Egyptian Armed Forces, to send a team down to retrieve our classified papers inside this building. There was a lot of talk about the right of legation. Rusk kept referring to the right of legation and how sacred it was.

So I was sent down to the Yemen with a team of three other officers: Gordon Brown, who is now DCM in Tunis, Nat Howell, who is ambassador in Kuwait, and a security technician named Don

Hackel -- I don't know where he is now. We were taken down there on a UAR, a military, aircraft in the middle of the night. Sequestered so we couldn't talk to anybody on the aircraft. And taken to Sanaa and then taken in the Egyptian commander's airplane down to Taizz where my team was allowed into the building. As I say, we never found the little safe behind Hamer's desk. But we did get into the strong room. They had a strong room there where the files were.

It was the most horrific security violation I have ever seen. Those people down there -- we didn't have a xerox machine in those days -- they used a thing called a thermofax, which made a rather fuzzy copy of things. Because everybody in NEA repeated telegrams all around the lot, to all the NEA posts, we routinely sent telegrams about anything important happening in Cairo, to Taizz and to Sanaa. The little embassy office in Taizz would send a copy over a block away to the AID office where, contrary to all regulations, they were making copies. There must have been half a dozen filing cabinets, four-drawer filing cabinets, full of classified telegrams up to and including Top Secret, all of which had been copied in violation of security regulations.

These cabinets had all been left open. The file clerk had gone off to lunch. Fortunately, she had closed the outer door. As far as we could tell, nobody had gotten in there. Things were not disturbed. They were in chronological order and so forth. I just think it would have been beyond Egyptian or any police abilities to do that without disturbing things, to go through them. And anyway, they would have taken them away, they wouldn't have put them back. You can't copy a thermofax copy.

So we put this stuff in big pouches and hauled it back up to the embassy branch office which had a tiny little incinerator, and we burned for forty-eight hours.

Meanwhile, these two Americans, Liapis and Hartman, were being held in detention in a little house up the hill. I would go call on them every day to see how they were --

Q: These were the AID people who had been accused of -- -?

PARKER: Attacking the Yemeni post. We subsequently learned that the attack had been carried out by a guerrilla group supported by the British. The British were responsible for this. Americans had nothing to do with it.

I would go every day to see Liapis and Hartman and hold their hands and see how they were getting along. After we finished burning the papers, I was ready to go home. I went to see them on the last day. As I was there, the governor of Taizz came in and read off a notification that they were being charged with -- I forget what it was -- sedition or something. Anyway, it was a capital offense, and they would be taken to Sanaa, to the capital, to be tried. I was told by the Department that I would have to stay with them. I told the Department that I wanted to come home, and I got a message back saying, "You go with them. You stay with Liapis and Hartman."

So I went up to Sanaa with them. Lee Dinsmore, our chargé, worked out a deal with the Yemen authorities whereby he put up two (or ten?) thousand dollars in cash out of his evacuation fund for bail. And we took off with them with the understanding that we would bring them back for trial, but everybody knew we never would.

And I flew out to Asmara with them and got back to Cairo on about the fifteenth or sixteenth of May at which point the crisis which led to the June war was in -- what shall I say -- full swing. Nasser had alerted his forces, had sent troops into Sinai and had or was about to call for the withdrawal of the United Nations Emergency Force.

Q: Did you have any -- I mean, this June war was coming. I mean, was this something that Nasser expected? How did we read it before the fact?

PARKER: It's something that nobody expected. I am at the moment trying to research the chronology of this thing, and it's remarkable how there was no indication. When I went off to Sanaa on about the first of May, there was no hint. We knew we were in for a difficult summer because in his May Day speech, Nasser had concentrated on the United States and how it was going to frustrate the Arab revolution. We knew something was likely to happen, but nobody was thinking in terms of war, including the Egyptians.

Q: Briefly, just to put people in the picture who are reading this transcript, how did this work out? I mean, what did Nasser do?

PARKER: Well, the story very briefly is the Soviets and the Syrians -- I believe, this is not clear yet, the Soviets certainly -- told the Egyptians that the Israelis were massing troops on the Syrian border. There had been a lot of tension between Syria and Israel. This report was untrue, but the Egyptians chose to take it seriously and to disregard all of our denials and Israeli denials and U.N. denials. And this is when our lack of communications were a real problem, a real handicap.

Nasser, apparently convinced that his army was ready to take on Israel, requested the withdrawal of the United Nations Forces along the border between Israel and Egypt. And he closed the Strait of Tiran which leads into the Gulf of Aqaba to Israeli shipping. This was threatening the Israeli oil life line, which came by tanker from Iran. This is a long and complicated story, but the Israelis -- as everybody had expected, once he closed the Strait which was clearly going to be taken as a cause for war -- the Israelis attacked ten days later and destroyed the Egyptian air force on the ground and routed the Egyptian army from Sinai.

Q: Now, how did the embassy -- what were you all doing during this period?

PARKER: Well, we pretty damn busy I can tell you that. In the first place, Battle, the ambassador, had gone home. He left on, I think, St. Patrick's Day. Nolte, the new ambassador, a political appointee, a protégé of the Under Secretary, Katzenbach, had come out. A man who was a student of the area. A lifetime grantsman, he had spent most of his time going from one grant to another. But a very --

Q: You say foundation grant?

PARKER: Yes. Very knowledgeable about the area. He had lived in Egypt before and well-regarded, but absolutely no government or Foreign Service experience at all. And it was sort of like sending Hanson W. Baldwin out to command a division in Vietnam.

Q: *Hanson Baldwin being a --*

PARKER: A military commentator.

Q: *A military commentator for the New York Times.*

PARKER: Right. Highly respected for his military knowledge, but without any really relevant experience or training for this sort of combat job he was suddenly thrust into. What this meant was that an enormous load fell upon David Nes and myself to try to keep things together.

It became clear to us from various statements of the parties that this thing was headed towards war. We evacuated our dependents on the twenty-sixth of May, and we began buttoning down. We began burning papers. We couldn't burn them fast enough. And I discovered there, something I wish our people in Tehran had known, and that is that the defense attachés and the CIA people have enormous quantities of paper that they will lie and cheat about rather than destroy. And getting them to burn their stuff is really difficult. We have this fixation on paper that I wish something could be done about.

Anyway, when the war came, the first day we still had a lot of paper to burn, and we went up on the roof, we had this chemical that you use in barrels. It burns with great speed, but it is explosive if it's confined. They had this barrel full of papers, and they put the chemical in it, and they put the lid on it, and it exploded. This lid went two or three- hundred feet in the air and a great column of fire went up. The fire department was there in a matter of minutes. They thought the embassy had been hit, and the war was on. The Israelis were bombing, and everybody thought we had taken a hit of some sort.

The first day was full of communiqués about how many Israeli planes the Egyptians had shot down, when in fact, they hadn't shot more than a handful, if any. The next day we woke up -- I still remember this, it was a nightmare for me -- to the UAR television announcing that the Americans and British had participated in the Israeli attack on Egypt. This was the sixth. They broke relations that night and ordered the evacuation of everybody except the small team that was to remain behind.

I will never forget the three colonels from the Egyptian Ministry of Interior coming to the embassy about eight o'clock, just as we were getting ready to leave, saying, "We have here the names and addresses of all the Americans living in Egypt. We want to sit down with your consular officer and go over the list, and arrange to notify all of these people and assemble them tonight to leave. They all must be assembled in assembly areas tonight." That was sort of comic. Our consular section had been going over its records and refining them very carefully the preceding two weeks and had a pretty up-to-date list. They found that the Egyptian list was totally inaccurate. It was wild. What happened is our consular officers -- I think there were three of them -- went around with the Egyptians with our list, knocking on doors in the middle of the night. This went on all night. We concentrated all these people in a couple hotels. They were eventually shipped out. They included one woman down at Aswan who had been there since 1916 and whose passport was one of the original -- the document was one of the, you know, the

open folding --

Q: *Folding type.*

PARKER: Yes. Not in a book, but a piece of paper.

Well, I was designated to be left in charge of this contingent that was to stay behind. I spent a lot of time at the Foreign Ministry trying to work out the details of how many people we could have and who they were and so forth. And it had been agreed that I was going to remain behind with five other people. The others were all going to leave on Friday night, the tenth.

At seven-thirty, Nasser came on the air and read his resignation speech. Seven-thirty on the tenth, or seven o'clock. We were having a farewell dinner at the ambassador's residence, Nolte and Nes and the Public Affairs Officer, Bob Bauer, and I, and we were drinking a bottle of champagne and eating up a couple of filets mignons that were in the refrigerator, when Nasser came on and made this speech which was a surprise to everybody. Suddenly, there was an enormous outpouring of people into the street and a great roar and shooting and God know's what was happening.

Just at that point, the Spanish ambassador called. The Spanish had taken charge of our interests. The Spanish ambassador called and said, "Mr. Parker, I have orders that you are to leave with the others tonight."

And I said, "That's impossible." I hadn't been home for five days. I left my residence and my dog, my silver, my clothes, my everything on June 5.. I hadn't been back home the whole week. We lived out in Maadi which is a suburb south of Cairo. I said, "I can't leave now."

He said, "Well, I'm afraid you will have to."

We tried some calling. Our CIA man went out to see the Director of Intelligence, and he said there was no ifs. The order came from Nasser himself. We all left on the train. There were detectives on the train to see that I specifically was on that train. No explanation given.

Many years later, twenty years later, I learned that it was because Nasser thought I was the chief of station.

Q: *The head of the CIA.*

PARKER: The head of the CIA. But in fact, the man they left in charge was the chief of station.

Q: *So much for Egyptian intelligence.*

PARKER: Yes, so much for Egyptian intelligence.

So I came back. Well, we had a hell of a time. A terrible time going up to Alexandria and spending the day there waiting for a Greek ship to come in and pick us up. It was an inter-island

ferry that had never been further away from Athens than Crete. They burst a boiler getting to Alexandria. But we got everybody on that ship eventually and got back to Athens.

Again, at this point, I had long been due for home leave at that point. I was to have two tours in Egypt. I had been there two years, and I had home leave orders. Everybody else was staying in Athens.

I found out that the deputy chief of mission, Dave Nes, on the trip, which had taken a couple of days, made some very frank comments to a Baltimore journalist. Nes was from Baltimore, and he once worked for the Sun papers. And there was a Sun reporter named Franklin Fenton -- I think it was Franklin. Fenton at any rate, on the ship. To whom Nes, who was really sore about the great gap between Battle's departure in the middle of March and Nolte's arrival two months later, apparently with no sense of urgency. And the way that the Department had been treating Cairo anyway. He just let himself go. He said some very frank things, and they were quite true, of course. I think the Department was really pretty stupid, not to say incompetent, in the way it handled this affair. But things had really hit the fan in Washington. Fenton had reported this as soon as he got off the boat. Or maybe he was still on the boat. I've got the chronology mixed up by now. But anyway, Nes had gotten off the boat and gotten the first plane out.

I spent one night in Athens, and the next morning, I got this news about the Nes revelations. I thought I better get back there because there were going to be a lot of questions about this. So I got a plane out that afternoon. My family had already been evacuated, and they were at Lake Champlain in Vermont. I went to Washington and then went back up and joined them.

There wasn't anything for me to do, but what transpired during the summer was that Don Bergus, my former chief in Israel-Jordan affairs, whom I had succeeded in Cairo, had been the political counselor before me, had gone back to be the Country Director for UAR affairs, and was sent back out to Cairo to succeed me. I mean, he took my job as the chief of the U.S. interest section. And I took his job in Washington. We kept going around in these ever decreasing circles.

Q: I wanted to ask what happened to Nes?

PARKER: Nes came back, and he had a hearing before Senator Fulbright, who said, "I want to be sure this man gets a job commensurate with his rank and importance." They gave him an office up in the sixth or seventh floor of old New State. The old building of New State, the original New State.

Q: The old War Department building.

PARKER: No, well, yes, that's right. And it was a paneled office. The paneling wasn't real. It looked like plywood that had been painted. I don't know what it had ever been used for. I had no idea this office existed. It was off in a very strange location, very hard to get to. There was a secretary in the outer office, but the office had no function. His name was on the payroll, but he had nothing to do. They had given him an office, and he couldn't complain because he had a wood-paneled office. He was left there to sort of die on the vine. He retired shortly thereafter.

Q: Well, here you were with an abysmal situation as you can between the relations between two countries. Everybody is kicked out except a small section. Were you able to put things back together? You were in charge of --

PARKER: Well, I wouldn't say I was able to put things back together. But I really was very sore at the Egyptians when I came back. I felt sorry for them for their defeat of their army and so forth. A terrible catastrophe for Egypt. But I thought Nasser had behaved very badly, and I personally had been terribly bruised by it, and I didn't have much sympathy to spare.

Actually, we in the absence of relations worked out a fairly satisfactory working relationship with these interest sections. Both sides very quickly abandoned the pretense that the sponsoring power would have to escort the representative when he called on the Foreign Minister.

Q: Now, in your case, it would be the Spanish --

PARKER: It's the Spanish in Cairo and Indians here. And we began receiving the Egyptians directly. The Egyptians sent in early '68, Ashraf Ghorbal, as the chief of their interest section. Both sections were limited to the number of people -- something on the order of eight to begin with, and we gradually raised it, I think, to eighteen.

We had no particular interest left in Egypt. All the Americans had been kicked out. But there were many Egyptian students here. Something like fifteen-hundred of them. And the Egyptians wanted to keep the students here, wanted them to finish their studies. So they needed people here to run that program because these people were all here on government scholarships.

Ghorbal proved to be I think the most effective of all the Arab representatives in Washington. He was Harvard-educated. He understood something about America. He had a sense of humor. He knew he was starting from zero, and he was ready to learn. And I took him in hand and taught him the ropes as far as I knew them on how to operate in Washington. He was a very apt pupil, far surpassing me in his capabilities in this respect. He eventually was the first ambassador here after the restoration of relations in '73 or '74 -- I forget which year that was. Even before that, he was remarkably effective. Similarly, I think Bergus was very effective in Cairo. He certainly had a lot more influence than the Spanish ambassador or any other ambassador there. He was in very well until he came a cropper over a memorandum he was supposed to have written. He should tell that story, not I.

I did that for three years. A very frustrating job. Very hard to get anybody to pay any attention to Egypt. Very hard to get anybody to take Egypt seriously. I remember Secretary of State William Rogers at one point saying he had lots of the milk of human kindness, but he had none at all for Gamal Abdel Nasser. That was the attitude. It was not until 1973 and the crossing of the canal that people began to take Egypt seriously. Everybody in those days - Israelis, Americans - believed that they had no military capabilities.

Q: I remember the story that what does it take to be an effective military force. And the reply was, "Well, in the first place, fight the Egyptians."

PARKER: Yes.

Q: This was the type of story that went around.

PARKER: Yes. Well, the Egyptians were very poorly served in '67. I think they have since shown that they have some military capabilities.

At the end of three years, I was ready to get out. And I was very disturbed because I discovered that Joe Sisco, the Assistant Secretary, was working on a draft peace proposal involving Egypt without consulting me. He was not somebody I enjoyed working for anyway, and I was tired of the climate and lack of support from him and from everybody else in NEA. I wanted to get out. Stuart Rockwell, then the Deputy Assistant Secretary, was appointed as ambassador to Morocco, and he asked me if I would like to come and be his deputy Chief of Mission. I had always wanted to go to Morocco, and I said, "Sure," and we left in the summer of 1970.

ROBERT MARK WARD
Assistant Program Officer, USAID
Cairo (1965-1967)

Trade and Investment Officer, USAID
Cairo (1987-1989)

Robert Mark Ward was born in Buffalo, New York on September 24th, 1927. Ward studied History and Modern Literature at Wesleyan University and joined USAID a few years after graduation. He has since served in Egypt, Pakistan, Morocco and Washington, working with economic development and market cultivation. This interview was conducted on May 27th, 1998.

WARD: No, the next thing that happened was that the Egypt Desk Officer, John Kean, recruited me to be Assistant Program Officer in Cairo. My wife and I went out there in the fall of 1965.

Q: What was the situation in Egypt at that time?

WARD: That was rather interesting. By that time, it was the Johnson Administration. The relations between the American and the Egyptian governments were not particularly good. We were not ardent supporters of Nasser's Arab Socialism. President Johnson had made the decision that he would try to put pressure on Egypt by withholding PL 480 wheat. Egypt was highly dependent on PL 480 wheat to make bread for its population. I'm not sure if the idea came from the White House or from the Department of State, but the thought was that by withholding PL 480 wheat, one could bring Gamal Abdel Nasser to his knees. In retrospect, that doesn't seem very sensible. It did not work. Gamal Abdel Nasser was able to get all the wheat he needed from Spain, Australia and Argentina. It just soured relations a little bit more. When Nasser broke diplomatic relations with the United States in June 1967, we left under duress.

We had a very small AID presence there. The AID program was run out of the Economic Section of the Embassy. The Economic Counselor, a State FSO, was also the AID Representative, and an AID person was the Program Officer and Assistant AID Rep. When I arrived it was Ken Levick, who went on to fill a prominent role in the Office of Science and Technology. He was later replaced by P. Victor Morgan, Jr., a charming and very colorful person who is now living retired in his hometown of San Diego, California.

Q: What was the program then? What were you doing?

WARD: We had a very small program: agriculture, irrigation. In education, there was a bricks and mortar school building operation. In rural health, we were building rural health centers. There was quite a bit of participant training of Egyptians in the United States.

Q: Was this the beginning of the program then? Had it been going on for some time before that?

WARD: I don't know when the program started. It must have been sometime after the 1952 Nasser revolution. But I don't know what year it started. It was of minor interest to the Egyptian government. It was, as I said, quite a small program. At the same time, the Ford Foundation was in Egypt in force. We cooperated with them on an AID population program. There was an effort to sensitize the Egyptian government as much as possible and the Egyptian population to dangers of overpopulation. One of the key people on the Ford Foundation side was Lenny Kangas, who later went to AID and is now, I believe, with a Washington consulting firm.

Q: How did you go about the beginning of the population program?

WARD: Well, it was information and education at that point. I remember they used to have little trucks that would go around to villages with movie projectors and show films on walls. I never saw any of the films actually, but they were supposed to indicate the dangers of having too many children and how you can avoid that. I have no idea whether they worked.

Q: Was the government supporting it?

WARD: Yes, it was. The government was supporting it. It gradually made some progress, I think. However, things were pretty well stopped at the time of the June war in 1967 when we and the Ford Foundation both left so early. The reason that Gamal Abdel Nasser broke diplomatic relations with the United States at that point was that during the Six Day War, the United States had an intelligence gathering ship anchored off Alexandria and we were feeding various kinds of military intelligence to the Israelis, which assisted them in military operations against Egypt. As soon as the Egyptians found that out, naturally, all hell broke loose.

Storm clouds had been building for some time, though. Gamal Abdel Nasser was tightening screws on Israel when he closed the Gulf of Aqaba, which goes up the east side of Sinai to the port of Aqaba in Jordan and, a few kilometers away, the port of Elat in Israel. There was a United Nations force between the Egyptian army and the Israel army which was removed and that placed the Egyptian troops and Israeli troops in direct contact. So things were clearly headed for confrontation. A decision had to be made in late May as to whether the embassy would

evacuate women and children or not. The ambassador was Richard Nolte, who was not a career diplomat. He was a Middle Eastern expert, an academic. I remember, at one country team meeting, he went around the table about the third week in May to ask his senior staff whether or not they should evacuate the dependents. There was the military attaché, the naval attaché, the economic counselor, the CIA station chief. They all said, "Oh, things are okay. You don't want to offend the government by doing this prematurely." He got around to the political counselor, who was Dick Parker, one of the State Department's outstanding Arabists in the last few decades. He said, "Well, I don't know about you guys, but I'm scared to death." Dick told me this afterwards. He went on to explain all of the reasons why he thought that it would be foolhardy not to evacuate the dependents, one of which would be, by the time you were certain that it was necessary, you wouldn't be able to reach the airport. So, his judgment ruled and everybody else changed their minds. The dependents were flown out to Athens. As it turned out, I think it was not more than two weeks later, the non-essential people at the embassy (This would have been early June.) were taken down to Alexandria by train at night. I was on the train. We could see the Israel bombs going off to the east, lighting up the sky. We were wondering if they were going to hit the railway or not. As it turned out, they did not. We got to Alexandria and were put under house arrest for four days in the Palestine Hotel at the east end of Alexandria, which happened to be the same hotel at which Henry Kissinger would stay with his entourage when he was carrying out his famous shuttle diplomacy years later.

Q: Why were you under house arrest?

WARD: We were detained until transport could be arranged to evacuate us up to Greece. It was the correct performance of the Egyptian police which protected the Americans from being attacked by a mob. Hysteria was high. Demonstrators invaded the American Consulate in Alexandria and the Consular staff took refuge in the vault upstairs. They were informed by radio that the mob was beginning to set fire to the Consulate downstairs. One of the more courageous officials went downstairs to try to defuse the situation. The leader of the Egyptians politely asked to borrow the American's cigarette lighter so he could burn the American flag which he had just taken down. The American gave it to him, naturally, but was not harmed. It must have been much more exciting for the Consular people than it was for us out at the Palestine Hotel.

Q: The Egyptians were protecting you?

WARD: Yes, they were behaving quite correctly. We were confined to the grounds of the Palestine Hotel, which was very close, a few hundred yards, to one of King Farouk's palaces at the east end of Alexandria.

Meanwhile our naval attaché was desperately trying to make arrangements to get us transportation up to Athens. It turned out, after four days, he was able to organize a Greek passenger ship escorted by an American destroyer. So they came down and we went through customs examination. The Egyptian police behaved very correctly. By that time, the Spanish embassy had agreed to be our representatives in Cairo since direct diplomatic relations no longer existed.

Q: This was all of the embassy staff?

WARD: No, there were still some essential people who finally came down from Cairo the fourth day. This was my colleague and supervisor, Vic Morgan, who had been working away with the AID controller, Bernie Riedel, following the handbook and methodically doing what you're supposed to do in the handbook to close down an AID mission. By the book. It was a little program. So, they managed to do that. Unfortunately, we had one casualty. There was one young man who was on the controller's staff who had a bleeding ulcer. He had been prevented by the Egyptians from getting medical treatment and he died in the last day after he got to Alexandria. After we all, including the essential staff, had gotten on the Greek ship and gotten ourselves up to Athens, one of the saddest duties of the Acting AID Director, Vic Morgan, was to meet the wife of this young man, who was pregnant at the time, and say, "Unfortunately, your husband has died." It was a very painful thing to do. In any case, with that one exception, everybody got out.

We spent a very pleasant month in Athens. One thing Vic Morgan and I did was write a nice long airgram. There were such things as airgrams in those days, carried to Washington by plane and reproduced on mimeograph machines—pre-computer technology. We wrote an airgram giving a summary of what the program had done and what our recommendations would be about how you ought to open up a program if you ever want to do that in Egypt again. We were quite proud of that. We thought it was a good job, showing very perceptive knowledge of the terrain. Of course, I never in my entire AID career afterwards, after we opened up the current massive AID program, I never once found anybody who had ever read it.

Q: Well, they may have. Was there any special message you were trying to convey? What was the content of this message?

WARD: I've forgotten. I don't remember what we said. I know it was brilliant, but I don't remember what we said. It may very well have been irrelevant to the massive program with which we went back under Anwar Sadat. I mentioned earlier that we were collaborating with the Ford Foundation on a population program. The Ford Foundation was doing other things. One thing that they were doing was a regional development program in upper Egypt, centered on Luxor and Aswan. This was an ambitious program which involved education, school building, health, public administration, agriculture, irrigation, the works. I don't know how much money was put into it, but it was a lot more than the American aid program. When I went back to Egypt in my last assignment, I never found anybody who had heard about that. But Ford had been there several years during the early to mid-60s. They had accomplished something. There certainly was a tremendous amount of planning. It would be interesting for someone to dig back into the Ford Foundation files and find out whatever happened to that and how much, if any, was actually used by successor aid groups, the Americans or others, or indeed the Egyptian government, during the '70s and '80s.

Q: Well, there must have been some elements like the population program and education that may have picked up again.

WARD: Yes, I think that's true.

Q: Was there any particular role that you had in this, any program aspects? Were you working on any particular projects? What was your function?

WARD: As the Assistant Program Officer, I worked with the various technical divisions to try to help them package their products and fit them into one seamless whole.

Q: How big a staff was it?

WARD: It couldn't have been more than 15 Americans plus some Egyptians.

Q: You had some major contracts? Who was doing the population work, for example?

WARD: I honestly don't remember.

Q: You were there for two years?

WARD: Almost two years, from the September 1965 to June 1967.

Q: When you were evacuated.

WARD: Yes.

Q: You didn't go back?

WARD: No, I did not. In summer 1967, after our month in Athens, I was assigned to Pakistan and in a few weeks we were in Lahore.

In Egypt I had come to have great admiration for my supervisor and colleague, Vic Morgan. He negotiated an assignment as the Deputy Director in Indonesia at that point. He was an interesting person. He was one of a generation of people who had joined the foreign aid program in Europe somewhat after the Second World War. There were others who had done this - Walter Furst was one. He was the Assistant Director for Program in Pakistan at the time that I was there. He had been in the American Military Government in Berlin after the Second World War. He had then joined USRO in Paris. That must have been at the time of the Point IV program which began under President Truman. They had an office in Paris. You had this generation of people who had, for one reason or another, been in Europe and decided that they were going to get a job in what sounded like an interesting part of American government efforts. So, Walter showed up there. Vic Morgan was in Paris going to the Sorbonne and was in the process of writing a biography of Gertrude Stein. He never finished it. There was Gordon Ramsey, who was studying classical music at that time with Nadia Boulanger and Madame Claude Delius, widow of one of France's major modern composers. He too went down and got a job at USRO. You had this whole group of people. They're now either dead or very old. But these people were among the first of the foreign aid group who for a long time left their stamp on ICA and AID.

WARD: I left the UN Division in 1987 to go to Egypt.

Q: You went back to Egypt.

WARD: That's right, for another two year period from 1987 to 1989, almost two years.

Q: What was your position?

WARD: By that time we had a huge AID mission, the biggest AID mission in the world. Your normal division, what would be a division or a separate office in some normal AID mission, would be headed by somebody who had been a Mission Director someplace. It was very large. I was in the Directorate for Trade and Investment, run by Gregory Huger, who is, I believe, Director of one of our missions in the former Soviet Union.

Q: What was the function of that office?

WARD: A variety of things. We were pushing private enterprise in various forms, trying to encourage the Egyptians to level the playing field for the private sector. We had a project to try to reactivate the capital markets, the stock market. There had been a stock market before the 1952 Revolution. I even met one old man who was associated with the Egyptian newspaper *Al Ahram* who remembered that stock market favorably. But anybody under the age of 50 wouldn't have the foggiest idea what the stock market was like.

Q: Was that supported by the Egyptian government, getting the stock market going, the private sector going?

WARD: No, not the stock market. There was certainly lip service to the private sector. After all, by that time, Anwar Sadat had come into power and there was an effort to try to liberalize, free up the private sector somewhat, not as much as we thought was desirable, but certainly more than your average Arab socialist functionary would think desirable. We met a rather diverse group of people. Some of the people we worked with were fairly substantial businessmen who had made a great deal of money since the arrival of Sadat and since the opening up to the outside world and the relative freeing of the private sector. Not all of these people were clean cut capitalists. They weren't quite as criminal as you read about in Moscow these days, but nevertheless, they were substantial businessmen. They were not so much the kind of people who needed a great deal of help. But some of them were very sincere and serious and effective people, who were very much Western-oriented. We used to go all the time to see Egyptians who were members of the Egyptian-American Chamber of Commerce, which would meet regularly. I believe, in a situation like that, there is a lot to be gained by starting off, at least, working with the more substantial capitalists in the same way that in the days of the Green Revolution in Pakistan, we started off working with the wealthier farmers and there was an imitation effect with the smaller ones. We had a customs reform program. There were some people from the U.S. Customs Agency who were working largely in Alexandria trying to bring more efficiency into the Byzantine complexity of customs administration. I don't know that that was particularly effective. It was okay as far as it went. It's good to try to make a bureaucracy relatively more efficient. But the key issues were not the ones which the working level functionaries would deal

with. The key issues were ones which more senior decision makers would have to deal with. The attitude of the government was, "We'd like to keep regulation." So, that was partially successful." This AID mission was so large that it was entirely possible to work in one section and know little or nothing about what was happening in the others. There was a Science and Technology section, which dealt, among other things, with oil prices, energy, coal.

Q: This was all under the Trade and Investment section?

WARD: No, this was totally separate. There was a whole other section which funneled a considerable amount of assistance not through the central government in Cairo, but directly to the governorates. The governorates were the provinces. That was largely for different kinds of infrastructure: schools, hospitals, roads, things like that. I think that worked pretty well, at least from the people I talked to.

Q: What about in your trade investment area? You were doing customs, capital markets. Was there anything else?

WARD: We had a major Commodity Import Program that was providing dollars for buying American exports.

Q: How were the commodities selected?

WARD: It was negotiated between the Americans and the Egyptians.

Q: Which activities were you directing?

WARD: First I did a paper to outline the current trade and investment climate and USAID/Egypt's action plan, an analytical framework. The idea was to get an idea as to what it would be necessary to do to encourage greater investment by Egyptian capital in Egypt and what, if anything, it would be necessary to do to encourage a greater openness to external trade above and beyond the commodity import program. We consulted with a number of the Egyptian businessmen who had a choice between investing in Egypt or not investing in Egypt. Basically, the one message that we got very loudly and clearly was the really felt need for external management technical assistance, particularly in the private sector. There was a considerable desire on the part of some of the Egyptian businessmen we met to try to bring in new products and establish production facilities in Egypt. They were constantly feeling the dead hand of government, local governments, which were causing them costs and delays. They also felt the need of advice. I remember, there was a fellow who was a banker, whose family had been a major textile export before they were expropriated during the Nasser period. He had worked for the International Monetary Fund in Washington and had gone to Kuwait to help establish the Kuwait Development Bank. Now, here he was back in Egypt and he wanted to invest some money. He said, "Well, you know, one of the key difficulties is loan officers in banks. These kids don't know anything. The Achilles heel of banks is that loan officers don't understand how to analyze possible loan prospects. What we need to do is train more and better loan officers. Then, that will open up a serious bottleneck to lending to viable projects as opposed to just throwing your money out the window." He had established a factory for making paper towels. He had a

partner who was an Italian, whose family had been in paper making for a long time, purely in the private sector. They worked out an arrangement so they were actually producing things in Egypt for Egyptian consumption. They had some the Egyptian banker's management skill and the Italian's technical ability. It worked fine.

Q: Did AID have a role in that?

WARD: None whatsoever.

Q: That was the kind of thing...

WARD: Yes, we were exploring what seemed to be working to see what kinds of things AID might do to be helpful.

Q: What did you end up with AID doing?

WARD: We had our Commodity Import Program, which was intended to benefit the private sector more than the public sector. We brought in some people to encourage employee stock ownership plans, which a fellow named Bruce Mazzie was pushing. Bruce was associated with Management Systems International in Washington, run by Larry Cooley. The thought was, "Perhaps this is a form of capitalism which can appeal to people who were formerly Arab socialists because it sounds like popular investment." We never did get it off the ground. There were some discussions between the Pirelli Tire Company and the Alexandria Tire Company. But I don't think it ever got off the ground. One of the things which, during my last year in Cairo, I got involved with was keeping an eye on some of the old projects - loan financed industrial production projects, which AID had begun to finance during the period when we still were not yet against state run enterprises. We had a steel rolling mill and a leather manufacturing place and a soap and oils factory and a fertilizer plant and a couple of others. Some of these were in Cairo. One was down in the Delta. A couple were in Alexandria. Once a month, my Egyptian counterpart and I would go around and visit these places. The idea was to make sure that they came to successful conclusions and to try to quickly solve whatever problems might arise between the American contractors, who were usually carrying out these projects, and the Egyptian state run enterprise directors, who were the collaborators.

Q: You were trying to privatize them?

WARD: No, that wasn't part of the project. These were projects that we didn't want to shine the spotlight on because part of our office was very much trying to push privatizing and freeing up, reducing regulations which might hamper the private sector. We just wanted to finish up these old state run projects and get them out of the way.

Q: Which we had been involved in.

WARD: Which we had been supporting during previous years. I think they were approved during the period when Frank Kimball was the Mission Director. That was the last period when we were actually putting money into these things. Some of them were working actually quite

well. I was quite impressed by the high standards of the Egyptian leadership in some of them, not all of them. Sometimes the American contractors were as much a part of the problem as the Egyptians were. I think they ended pretty well. Basically, we were simply trying to find where there were problems and try to think of practical solutions. Usually my Egyptian counterpart and I would recognize after a few tours of these plants what was going wrong and what needed to be done. We would bring the Egyptians and the American contractors together and try to work out solutions. It was a matter of basically being the honest broker between the American contractor and the Egyptian leadership of the individual factory.

Q: Try to get them efficient and then get out.

WARD: That's right.

Q: And not close them down.

WARD: One of them was down on the west side of Sinai. Here was a gypsum plant. It was very good. It was very well constructed and it was operating efficiently. The problem was what to do with the product. One of the American contractors who was assisting said, "Well, we can make sheetrock. I think there's a market for sheetrock in Saudi Arabia. They're building a lot of buildings." I left before we solved that problem. But here was a factory which was producing things okay. But the marketing hadn't been handled very well. In any case, the professional quality of the Egyptians was generally good. Usually once we identified what the argument was about, we didn't exactly knock heads together, but we would arrange for some fairly frank discussions - sensitivity sessions. We would get the American contractors and the Egyptian factory officials around the table and we'd all have our cup of tea. I would say for the American contractors, "This is what our Egyptian colleagues are saying is the problem. This is what you're saying is the problem. Now, let's just put our heads together and think about how we can bring this down the pike." Just the fact of our presence as kind of a little catalyst for discussion, just so that people wouldn't walk away mad, helped a great deal. That's how I spent my last year.

Q: After that?

WARD: Then on the Fourth of July in 1989 in Cairo I retired from AID.

MARJORIE RANSOM
Information Officer, USIS
Sana'a, Yemen (1966)

Egypt, Jordan, West Bank Desk Officer, USIA
Washington, DC (1980-1981)

Public Affairs Officer, USIS
Cairo (1992-1995)

Marjorie Ransom was born in Croghan, New York in 1938. Ransom studied Middle Eastern Affairs at Columbia after graduating from Trinity College in 1959. Immediately after graduate study at Columbia, she entered the Foreign Service and has since served with the USIA (United States Information Agency) in Syria, Yemen, India, Lebanon and Egypt. This interview was conducted on June 11th, 2001.

Q: What was the political situation in Yemen when you got there in '66?

RANSOM: You had a so-called republican government under Salal, but he was really an instrument of the Egyptians. The Egyptians had a large military presence and were preoccupied with training fighters to fight the British in Sanaa. It was August of '66 when the Yemen cabinet met and decided to express their distress over what the Egyptian military was doing in Yemen, especially the bad treatment they were giving people in the countryside. They flew off to Cairo to complain to President Nasser. They were sure that he couldn't be aware of what his military was doing in Yemen, but he locked them all up and kept them in prison until the 1967 war was over.

Q: This was at a time when Egypt was reaching out. They had the United Arab Republic and they made a treaty between Syria and Yemen.

RANSOM: The Yemen Arab Republic.

Q: Then that kind of died while you were there?

RANSOM: No. It died when the Egyptians lost the 1967 War. They kept the cabinet locked up in Cairo. There wasn't much the people could do. But there was a civil war going on in Yemen at the time. The royalists were fighting it still and the Saudis supported them. The Egyptians had their spy network and we were watched all the time. Our travel was restricted.

Q: The Egyptians weren't very pleasant, were they?

RANSOM: They were hard to deal with. They really wanted to be friendly. It's their nature. It was hard for them. But no, they made life quite difficult for us. In the end, two AID employees in Taiz were accused of blowing up an Egyptian ammunition dump. The Egyptians controlled the radio in Yemen and broadcast this story to the people. They were encouraging mob action against our people. So, the State Department decided that they could not protect us, because they had gotten no cooperation from the Egyptians or from the Yemenis and so they made the decision to withdraw us all. We all left by May 1.

Q: What sort of work were you doing while you were there?

RANSOM: I was running the USIS office. It was mainly English teaching, recruiting teachers, running the classes, keeping track of the students, administering exams, and passing out publications. Our activities were fairly restricted. There wasn't a lot we could do.

Q: Was there the divide in Yemen that later became so pronounced between the very hardliner communists and the royalists?

RANSOM: Between the communists in the south and the...

Q: Yes.

RANSOM: When we were there, the British were still in the south. So, the communists hadn't come in.

Q: Was Aden...

RANSOM: The labor movement in Aden was very active.

Q: There were terrorist acts and things of this nature.

RANSOM: Against the British. The Egyptians were encouraging this.

Q: Was this something you had to be concerned about?

RANSOM: Yes. We flew down to Aden a couple of times to do shopping for the embassy. The British were very much on the defensive. We watched our movements. We didn't like to go into the Crater, which was an area where security was very difficult. We were there one day and someone was shot a half hour or an hour later. In north Yemen, there was fighting between the royalists and the republicans – we would hear explosions and we would see fighting in the mountainsides at night, but we weren't directly affected ourselves.

Q: Did you get involved in sending Yemenis to the United States and that sort of thing?

RANSOM: We must have been sending some. Yes, we would train them. I think the numbers were very small at that point in time.

Q: How about Arabic? How did you find the language?

RANSOM: Arabic was a godsend.

Q: I would imagine so. That really couldn't...

RANSOM: There I spoke it all the time. I must have been rusty when I arrived because I got no training before I went.

Q: How did this work? Did USIA take advantage of somebody they could pay a little less or were you getting this, "Well, we'll try to keep you going this way?"

RANSOM: I ended up running the place for four months in between PAOs. But they had replaced the PAO, so I was usually the second person – I was an extra person. They didn't

keep me as the only representative there. I think it partly was to keep my hand in, but they definitely needed the help there. Thirty-two hours a week was just about right. I wouldn't have been fully occupied when the PAO was there.

Q: Was Saudi Arabia a presence there at all?

RANSOM: There wasn't much of a Saudi presence in 1966, no. They were not getting along with the Egyptians.

Q: What were our interests in Yemen at that point?

RANSOM: I'm sure our interests at that point were similar to what they are now, which is the strategic position of Yemen at the southern end of the Red Sea. It's the chokepoint for the traffic from the Suez Canal going down into the Indian Ocean. There were sizeable numbers of Yemeni-Americans, so we needed a consular presence. Stability in that part of the world was very important to us because of Saudi Arabia and Oman, the oil rich countries.

Q: Particularly up in the mountains away from the port activities, was it pretty tribal in Sana'a and the surrounding country?

RANSOM: Oh, extremely. Very tribal. Everybody knows what village they're from, what tribe they belong to.

Q: Did you get involved? There is a fairly substantial Yemeni community in the U.S. in New York. When I was in Dhahran, I was issuing visas to Yemenis going to those places. Were you seeing Yemenis who had built up a bit of money coming back and settling down?

RANSOM: We did, especially in the... less in the north, more in the southern part of the country called Hogariyya and in Ibb. You'd be walking through the town looking at this quaint town with mud brick buildings and some Yemeni would come walking by you, wearing a Yemeni skirt and a big jambiya. Then, he'd turn to you and he'd say in a Brooklyn accent, "Hi, how are you?" This guy could have lived in the U.S. for 30 years. Sometimes they would come to the States and didn't have the money to go back and visit. They would just stay here and work and save their money to eventually go back there and settle down.

Q: How about when the AID people were in jail and you were packing people up and pulling out? Did you get involved in that?

RANSOM: Oh, yes. We went from house to house and did inventories. Some people were away when all this was taking place and we had to go and try to help pack up their valuables and pull together what we could. The PAO was away and we had to close up the USIS office and decide what we would take. We took any information that we felt could be used against any of our Yemeni contacts. It was a very tense time. We had five days notice, five days to prepare for departure. We couldn't be sure what was going to happen from minute to minute. The first people we evacuated were those in Taiz, so we had a little longer time in Sana'a, where we had less trouble with the government.

Q: Was it a matter of the government turning hostile?

RANSOM: I think the Egyptian government did not want us watching their activities in Yemen. They didn't like us there reporting. They had done some things earlier that made it apparent that they wanted to embarrass us and find an excuse to expel us. At the very beginning of this period, we lived on the fourth and fifth floors of a Yemeni skyscraper. A loud knock came down below at the door on the first floor: someone delivering an urgent message in the night. It was a diplomatic note declaring 23 of our people persona non grata (PNG). This was the beginning of the end of our tour. We sat there on the fifth floor and tried to decipher all these names. There were four of us, all students of Arabic, and when we got down to the last name, we could not figure it out. It was the name of an AID employee. Her name was Gwendolyn Whigley.

Q: Not exactly designed for Arabic.

RANSOM: Well, in Arabic, the letter "wow" is a consonant, but also means "and." So, every time we read "wow" in the name, we read "and," instead of realizing that it actually stood for the W's in her name.

Q: So what happened?

RANSOM: As junior officers, we were very excited. We said, "We've got to take this to our Chargé d'Affaires," so we went marching around through the dark, winding, twisted streets of Sana'a to the Chargé's house and knocked on his door late at night. He came to the door, wondering what all the excitement was about. We shared with him the note and he said, "Well, we can take care of this in the morning." So, we were summarily dismissed and sent back. In the morning, he went to the Foreign Ministry to discuss the note and somehow communicated with our government in Washington. I think the decision was made right after that to withdraw us, but it was really in the works already before this happened.

Q: Did you all want to stay or were you glad to get out?

RANSOM: We liked Yemen. Living in Sana'a was like living in "Arabian Nights." It was an absolutely fascinating place to live. There was great esprit among the people in the Embassy. Some of the people we served with are still among our closest friends. Because it was a difficult place, we worked very closely together.

Q: Egypt was... You were there when the Camp David Accords came out. We were putting tremendous effort into Egypt in order to keep them from fighting the Israelis.

RANSOM: Yes. And Sadat had a very logical framework to work with the Israelis.

Q: Sadat was riding high at this point. He was killed shortly after you left, in '81.

RANSOM: When I was responsible for Egypt, we organized a tremendous cultural program with Egypt called Egypt Today that was done in cooperation with the Smithsonian Institution. This was certainly an effort that was meant to bolster a close relationship. It included modern art exhibits, antiquities, movies, costumes, performers, and a whole host of activities. It was very exciting and successful. Jihan Sadat came for the opening event. Charles Wick was the head of USIA at the time.

Q: Today is June 11, 2001. When you arrived in Cairo, what was the state of American relations with Egypt?

RANSOM: When I arrived in Cairo on August 5, 1992, it was the largest U.S. embassy in the world, with a huge military and aid sections. The USIS post was the largest in the Arab world and one of the largest in the world. We had 10 Americans and 80 Foreign Service nationals and contract personnel. We had a budget of over three million dollars. Relations with the Egyptians were good and there was close cooperation. My job in that very busy Embassy was to provide Public Affairs support to the ambassador and the Country Team. In that job, I had to deal with some major American press personalities, as well as Egyptian. Every major U.S. media outfit, be it television, radio, or newspaper, was based in Cairo. Of course, we had regional as well as domestically based Egyptian press. In addition to that, we saw probably 40-50 American journalists coming through Cairo each year. They wanted briefings on everything from the Egyptian economy to the Middle East peace process to a host of other subjects. They were really relentless.

Bob Pelletreau, my ambassador when I arrived and for the first year and a half, was especially popular with the U.S. media on the peace process, because he had led U.S. negotiations with the PLO when they were based in Tunisia. That was his post before coming to Cairo. In addition to our specific press responsibilities, USIS was engaged in a whole host of other activities. We supported the military. We publicized AID. We supported English teaching programs, not only in Egypt but also throughout the area. We hosted major cultural presentations such as opera, jazz, and art. We even worked out a special relationship in Egypt with AID to use their money to run an important exchange program with the Egyptian judiciary. It's a unique arrangement called a Participatory Agency Support Agreement [PASA]. We sent upwards of 50 Egyptian official visitors to the U.S. each year, e.g. a group of dynamic young Egyptian filmmakers visited their counterparts in the U.S. and also got a short mini-course in American history. I had the pleasure of seeing one of them recently at a local film festival: Yusr Nasrallah, a student of Yusuf Shaheen, the former who has of late become an important filmmaker. I like to think that we contributed to his education as he was developing. We also were able to tap AID money and VOA's to train Egyptian journalists. We worked very closely with the media. As you found in other areas of Egyptian life, the people who were my age were well-educated, broad-minded, sophisticated, and quite remarkable journalists. The younger generation was educated primarily in Arabic. They were not well trained. They had no idea of investigative journalism. They didn't know how you went about doing a story. They often were more editorialists than journalists. So, we spent a

considerable effort to bring in people to train them locally, to try to upgrade their skills.

Q: Training people to be investigative journalists can be kind of dangerous in a country which is rather authoritarian like Egypt. Do they really want to have a bunch of young guys and girls going around investigating? It's usually the government they're investigating.

RANSOM: We've seen the dangers of where that can lead recently. Nevertheless, we were able to give them skills so that whatever story they would be covering, be it something the government favored or didn't favor, at least they would be able to work as responsible journalists. Our focus was on their skills.

Q: How did they respond to this?

RANSOM: They liked it. They liked it a lot. They benefited from it, although their resources were limited. They didn't get per diem or money for travel to cover stories. Their parent organizations didn't pay them to do their jobs well. That was a problem we couldn't get around. We wanted them to write cover stories that were important to us. Usually, it was something regarding our aid to Egypt, but it could also be a military story. We would hire the buses and provide the meals and send them off to report. Those efforts were usually successful.

Q: You're sending them out to say, "Gee, what a good job you're doing," Aren't you Marjorie?

RANSOM: Yes, of course.

Q: But you're training them to be investigative reporters. My initial impression is that they would be looking around underneath the tents to find out what's "really" going on.

RANSOM: That's true, but if you're going to have a credible and well-written story that people are going to pay attention to, you're going to have negatives and positives. We didn't give them the negatives, but they could root around and find them. Our message wasn't 100% perfect but we usually had a good story to tell. We were improving the lives of Egyptians and they couldn't deny that.

Q: You were on the periphery of the AID operation, but you were acting in support of it. I've heard often that a significant part of the AID budget ends up going to people who are working for AID, Americans, or to study grants which help universities in the U.S. The University of Michigan may every summer turn out a number of kids that come out and work on their Ph.D.s, this type of thing. Did you find that?

RANSOM: Absolutely. In fact, our biggest challenge in dealing with the Egyptian press who were covering AID projects to show the final benefit to the Egyptian people. They criticized us constantly for using U.S. contractors. Several of these contracting organizations exist only to carry out AID projects, but I can't fault AID. Congress writes legislation that forces them to turn to contracting organizations to implement these projects. They also force AID to turn

to an American organization, so even if there was a qualified Egyptian NGO, you often couldn't do it because it had to be a U.S. provider. That was a challenge and we were quite honest with the intent of Congress, but we focused on end results to show them the expertise that was brought in this way and the final good it could produce. Congress, on the other hand, was always criticizing AID for not pulling projects off and wasting money and not getting things done in a timely fashion. So, poor AID was criticized on all sides. It was a big and very serious challenge to tell their story well. We worked very closely with them. I had an assistant information officer who worked on this full time, working with different AID officials, first of all to lay out a strategy. Then I would work with the Ambassador and the AID Director to be sure that those people in AID who were effective with the press would take the time to give interviews and to talk to journalists. That was often the biggest challenge of all. But we had a lot of small successes throughout the year.

Q: How about with the newspapers? For decades, El Ahram and other newspapers had been castigating the U.S. They had certain wonderful phrases that were embedded in almost everybody. All of us are used to hearing about these horrible things that the U.S. was doing. I would have thought this would have become an entrenched establishment within the newspapers.

RANSOM: Well, I was used to dealing with Nasserites from my early period in the Middle East and reading articles in different media that were inspired by that ideology, so it was no surprise to me to find people my age especially who still harbored some of those same points of view. Naturally, you figure out who in the press first of all has credibility, and secondly who is going to give you a fair shake. Then you throw in those who carry strong anti-U.S. and probably socialist visions of the world – it's very important; you have to go and "debate" with them. The best I could hope for was to get a fair shake out of them. At least you hoped that they wouldn't exaggerate or distort. Egyptians being Egyptians, they would always listen. I found the dialogue very useful. I used to go out every week and talk to these guys. I'd try to see at least one a day, meeting editors and op-ed piece writers. They were very good also at filling me in on what the current Egyptian take was on a specific U.S. policy. That was material that the embassy found extremely useful; it was also very helpful to me in planning a public affairs strategy for the embassy. But there were some guys who would give me sleepless nights sometimes. One *El Ahram* editor was very smart, very well educated, but a Nasserite through and through. He would never change. He was a socialist. But he would write honestly and fairly and he never engaged in diatribe or attacks on personalities. I don't think I could ask more than that from him. He was an extremely thoughtful commentator, both on U.S. policy and also what was going on in Egypt, a very honest guy. But I had others who were friendly and supportive.

Q: What about reporting on Israel? Did you get into any effort to steer that or was that just their business and not our business? Israel is our close friend. The Arab press – even one with a peace treaty – is not very kind towards Israel. Did we ever try to make them a little more kindly towards Israel?

RANSOM: We tried to have them take a better look at Israel. That was extremely difficult, as you can imagine. We also were encouraging them to go down the path of normalization in

certain areas. That was extremely difficult and something that we had very limited success in. I held some dinners... I would sound out Egyptian intellectuals and find those who would be willing to meet with Israelis and then host them at my house, especially the Israeli cultural attaché, but we would sometimes have groups come: some military figures, some Israeli intellectuals. They would participate in some seminars and we would try to get Egyptians to come, but it was very slow going. Since I left, a number of Egyptian intellectuals went off to Copenhagen to meet with Israelis and faced a lot of trouble when they went home, so it was an endless battle. But one of the exciting things that happened while I was there was, after the conclusion of the Oslo Accords, there was the famous handshake on the White House lawn. Rabin and Arafat shook hands with President Clinton. We got word of that early in the morning. We scrambled and got a bunch of leading media to come and watch the event. That included the editor of the leading Egyptian opposition newspaper, a guy who was in and out of jail, Magdi Hussein. I sat next to him as he watched this event and got him to admit that this indeed was a step forward. He was radically anti-U.S. and especially against our attempts in the peace process, but he wrote the next day in his paper that this indeed was a step forward. That was like getting blood out of a stone. So, you had small victories in that area.

Q: What was the internal situation that we were concerned with?

RANSOM: Sheikh Abdul Rahman was active. He was a Muslim cleric who was extremely anti-U.S. and who promoted the use of terrorism to oppose what he saw as major moves against Islam and against moral values. He was suspected of involvement in the [first] World Trade Center bombing in the U.S. [in February 1993]. There were a number of terrorism incidents in Egypt during my tour, including a horrendous attempt against the Minister of Interior, whose office was near our American Embassy. In fact, two of our Embassy Officers witnessed the car bomb explosion and, fortunately, weren't hurt. The Minister escaped, but his guard and a driver were killed. There was in Cairo and across the country demonstrations of increased "piety," or Islamization: women veiling more severely, masses of people praying on Friday, and religious demonstrations. The government was very security conscious and concerned about these manifestations. There was a lot of rhetoric put out by Sheikh Abdul Rahman and his group. There were cassette tapes available in the souk with inflammatory Friday sermons. When I was first in Cairo, they were clamping down on the Friday preachers because of the rhetoric that they were using against the West and, in effect, against the government. So, internal security in Egypt was a real concern for the government and a matter of much focus for the American press. Of course, the way we handled that story was always sensitive. We had special problems with the American press. They were U.S. citizens and so whatever we told American citizens living in Egypt about the security situation we had to tell the journalists. But we had to, in effect, make our statement off the record. I remember one time in particular when we were concerned about security. We did want to advise Americans to avoid crowded places. We wanted to caution them. We felt it was our obligation. But we didn't want the thing blown up and exaggerated in the press. So, we invited the journalists to come with the understanding that it was an off-the-record briefing. But one of the journalists, a *Washington Post* reporter, declined to come, sent another journalist from another organization, debriefed her afterwards, and wrote the story in *The Washington Post*. She said she wasn't at the briefing, so she was free to do so. It was always a challenge.

Q: What did that do to your relations with The Washington Post?

RANSOM: It meant that that particular reporter missed a few reporting or interview opportunities. We didn't hold a permanent grudge, but short-term. We talked to the *Post* and complained to the editor, getting a non-committal answer from them. The Egyptians were furious at us. They were highly critical whenever we brought attention to the local security situation because that would immediately have an impact on tourism, one of their main livelihoods.

Q: Did you find yourself constrained about going around because of this?

RANSOM: I didn't, no. There were certain parts of Cairo that you would never go to; just as there are certain parts of New York City or Washington, DC you wouldn't go to. I never felt in any particular danger myself. I didn't feel targeted. But you were aware of it. There was a certain kind of explosive they liked to use. They'd set them off in a certain kind of trash barrel that was in the middle of Cairo streets and they made a huge noise. So, you were always hearing these things. It wasn't as though you could forget it.

Q: You had Pelletreau and then who was after him?

RANSOM: Ned Walker.

Q: How did you find their styles in dealing with the press?

RANSOM: I was with Pelletreau longer and he had been there two years before I arrived. He was quite comfortable with the press. I think he probably spent more time on it while I was there, but I think that was only because Ned was new, because he was very cooperative, too, about meeting with the press. It was a daily job in Cairo. I've never seen anything quite as intense.

Q: Was the press camped at the ambassador's office?

RANSOM: No. They couldn't get near the Embassy without an appointment, but the requests were constant. We always had long list of requests from both American and Egyptian journalists – it was hard to keep up with them – for people in different specialties, not only the Ambassador. We tried to spare the Ambassador. We used him for the top Egyptian journalists and for select Americans. But we were dealing with a whole host of subjects with different parts of the embassy from commercial topics to AID to economic stuff to security stuff. We would brief people on the security situation.

Q: Who were your target audiences in Egypt on the cultural side?

RANSOM: "Culture" is a broad term. Egypt has 13-14 universities. Certainly the university presidents, specific professors in specific fields were targets, and in the media, writers on every aspect of Egyptian life – politics, economics, business. Writers – we dealt with the

leading Egyptian novelists. We did some very exciting dialogues using both televised interviews and telephonic interviews. We arranged a very exciting exchange between Maxime Hong Kingston, author of *The Woman Warrior* with a wonderful Egyptian novelist named Gamal Al-Ghaitani, and other Egyptian writers. We had a close relationship with Yusef Shaheen, a world-renowned filmmaker. We knew Adel Iman quite well, a leading Egyptian film star who starred in a film called “The Terrorist,” which was quite successful in making fun of the Islamic terrorists. We were deeply engaged in the annual Cairo film festival. We would help the American participants. We hosted a big reception for them. We worked with all kinds of television hosts of different programs, magazine writers, editors, and some businessmen, especially those who took an interest in cultural projects. We participated in a huge art biennial in Egypt. We brought in dancing troupes, opera singers, jazz musicians, and worked with people in the arts in every area. We worked closely with the Minister of Culture.

Q: I would think that one of the prime concerns of anyone in the Egyptian or American governments would be the increasingly large number of young men and women who were getting good educations but no jobs. Did you see that as a group to do something about or was there much you could do?

RANSOM: We couldn’t do much in terms of finding them jobs. What we did do was work very closely with our commercial section in encouraging privatization and improving the Egyptian economy. We also worked closely with AID to publicize their efforts in promoting small business projects which were quite successful. I like to think that our English teaching – we were really supporting teachers of English and organizers of programs to teach English – was important in helping young people succeed. Those Egyptians who were able to speak English fluently were in a much better position to find good jobs in the tourism industry and in the business sector, so I think we contributed that way. But on a broader scale than that, no.

Q: By this time, in the early ‘90s, were the Egyptians on the educational side pretty well focused on the U.S. rather than Europe? Where were the students going?

RANSOM: Oh, yes, they were focused on the U.S. There were some attempts at that time – and I think they’ve gone further – to establish American type universities in Egypt in addition to the American University of Cairo, which had been in Egypt for 75 years.

Q: How successful were these American-style universities?

RANSOM: They were just struggling to get off the ground. I think they’ve done better since. There were also a couple of private high schools. In addition to the Cairo American School [CAS], there were two or three other private academies that were trying to do a quality job in presenting an American education to high school students. We got terribly involved in that somehow. I forget exactly how. Another part of the responsibility of the USIS office that is difficult is to show foreigners – in this case, Egyptians – how to evaluate American universities and how to pick a good one to study at. All these fly-by-night outfits that advertise in the newspaper... I can’t tell you how much time and effort we spent figuring out

exactly how much we could say and what we couldn't say so we would not be sued. That was a big problem in Egypt and in the Gulf – in the Gulf probably even more so.

Q: Wherever we are, it's very difficult to try to... You can take it and almost smell it when you can see a school that really has no experience and is a very minor little school and there are people spending a lot of money to send their kids there.

RANSOM: Oh, it's terrible. It's even a bigger problem now because there are universities that will give degrees without requiring the students to attend classes. The possibility for abuse is even greater. It's a huge problem for the prestige and value of American education. Quality institutions that present quality degrees don't want their reputation damaged by these fly-by-night organizations.

Q: Were there any major presidential visits while you were there?

RANSOM: The last year I was there, we had President Clinton once. We had Vice President Gore twice. We had visits from three Secretaries of State. We had Ambassador Albright. We had Secretary of Defense Perry once or twice. We had Secretary of Commerce Ron Brown: all in one year.

Q: Was your staff pretty well honed to take care of this?

RANSOM: My Egyptian staff was the best staff I have ever worked with. Within the USIS establishment, they were specialized to focus on certain areas of USIS activity and they were extremely talented, highly qualified, very loyal, and incredible ambassadors for the U.S. It just made my job extraordinarily rich and rewarding. I just can't say enough about them. We had a guy named Ali Darwesh who knew all the political reporters. They knew and trusted him. They had known him for years. We had Ahmed Lutfi, who knew all the economic reporters and could explain the values of privatization forwards and backwards. We had Nihal Rizik, who knew television inside and out. On the cultural side of the house, we had Magda Barsoom, who handled the judicial training program. She knew the judges and understood them. She could pick up nuances in the relationship and the conversations that I would miss. She played a leading role in some of the early normalization attempts. There were 20 others that were equally talented in specific areas. They were just extraordinary. One of the challenging jobs for me in that big mission in Cairo was first of all to let USIS play its full role. Under an ambassador like Pelletreau, that was easy because he not only understood the mission, but he wanted to expand into new areas of activity.

I had to fight to keep my personnel resources. I even once had to argue about the utility of USIS officers' reporting. Our people, our Americans and our Foreign Service Nationals, were always outside of the office in touch with various parts of the Egyptian community – certainly more so than anybody else in the embassy. It was just easier for us to do so. So, we had extremely good contacts in all areas. That sometimes caused some jealousy in the mission. In the final analysis, we worked it out. We involved people in the political section in our representational functions. We introduced them to our contacts. But when there was downsizing and consolidating the embassy, one person high up in the embassy suggested that

the USIS press section simply be folded into the embassy's political reporting office. They were going to take our whole press section and use it for reporting. So, I don't envy the people now trying to hold onto their resources in a totally integrated mission.

Q: Did you have problems on the cultural side running across fundamentalist Islam, depicting things that shouldn't be depicted?

RANSOM: We always had to worry about things. I remember an event that happened before I got there, but it's an example of what can happen. There is a wonderful Egyptian woman who probably became a U.S. citizen. She is a very talented ballerina, Magda. Out comes our wonderful USIS magazine with her picture on the cover in a ballet costume. Of course, we couldn't use it, which was ridiculous in my way of thinking, but it just wouldn't fly.

I ran into other interesting problems. I wanted to be in touch with the Islamist media and I was. One time, I had a dinner party and I invited all of my press friends and then I invited a guy from a conservative Muslim monthly, a tiny publication. I invited him because I felt it was necessary to hear a different point of view. My journalist friends were scandalized that I would let this guy in the door because he dressed funny. He wore sort of a modified Pakistani dress and had a beard. I think they were afraid because I was dealing with this guy. I just did it. The same was true for the editor of the *Shaab* newspaper. We invited him. We invited other Islamist op-ed writers. But the mainstream Egyptian journalists felt they had a monopoly on our attention and they weren't happy when they knew that we were hearing all kinds of points of view.

Q: How about as a woman? Did you have any problems?

RANSOM: No. I've never had problems in the Arab world working as a woman. I have always dressed very modestly. I have a whole bunch of long skirts that I don't wear in the U.S. When I was young and single in Jordan it would be tricky socially but work-wise it was never a problem and was often an advantage because, as a woman, you had access to a man's family.

Q: What was the feeling you were getting from your Egyptian contacts or from the political section about Mubarak and his regime?

RANSOM: There were complaints about the regime, about corruption, about the amount of time it took to get things done. There were special complaints when Mubarak completed his second term, which should have been the end of his rule, according to the Egyptian constitution. But he simply ignored it and continued. On the other hand, the government was engaged in a lot of very forward-looking activities at that point. They were moving towards privatization. The Egyptians being "Egyptocentric," felt that the government in Egypt, compared to other governments in the Arab world, was progressive. We would hear a lot of criticism about certain issues and we did hear a lot of criticism about attempts towards normalization. Our contacts felt that Mubarak's support for the peace process was fine and that it was important for the Palestinians to move forward, but they did not read that to mean that they had to mix with these guys.

Q: Did you pick up any feeling about the Kuwaitis there? Were they just a completely different breed of cat?

RANSOM: There was strong criticism of the Kuwaitis, particularly for the role that they played during the Gulf War. The Saudis opened up more jobs to Egyptians after the Gulf War. There were still a number of Egyptians working in Saudi Arabia when I was there. I felt that they felt much more kindly towards Saudi Arabia than towards Kuwait.

Q: How about relations with your home office? Was there much direction?

RANSOM: My home office then was USIA. They were extremely supportive of what we were doing in Egypt. They wanted very much – for example, when they would arrange WorldNets with the Secretary or with other government secretaries or with the Assistant Secretary for the Near East, Djeridjian, they always wanted us heavily involved. They looked to us for information on the current issues in the area. I felt they were extremely supportive. During my time there, the NEA office at State was very positive about our reporting and participating in embassy activities. A conference was held in Cairo of mid-level political officers in the area to look at Islam. One of our officers, a USIS officer, presented the best paper in that conference and brought a lot of special expertise. So, I thought we were in very good with both State and USIA.

SLATOR CLAY BLACKISTON, JR.
Economic Officer
Cairo (1966-1967)

Slator Clay Blackiston, Jr. was born in 1918 in Richmond, Virginia. He graduated with an A.B. degree from the University of Virginia. During World War II, he was an aviator in the U.S. Navy. Mr. Blackiston joined the Foreign Service in 1947 and served in Amsterdam, Stuttgart, Port-au-Prince, Jerusalem, Tunis, Jeddah, Cairo, Amman, and Calcutta. He was a member of the United States delegation to the United Nations in 1971. Mr. Blackiston retired from the Foreign Service in 1975. He was interviewed by Charles Stuart Kennedy in 1992.

Q: You then went to Cairo where you served from 1966 to 1967.

BLACKISTON: I was only there ten months, because I got caught in the war.

Q: What were you doing in Cairo?

BLACKISTON: I was head of the economic section, but the head of the AID mission, which wasn't very big at that time, was the Economic Counselor and my boss.

Q: After the Aswan Dam business it was all going down hill.

BLACKISTON: This was much after that, of course, but we did have some AID mission; and the person who was head of that was also the Counselor for Economic Affairs. But I was head of the economic section under him; actually his main focus was on AID so I was more or less running that part of the show. Things were going down hill. Luke Battle was the Ambassador and I remember I had been someplace on a trip -- Gene Bird and I went to Gaza about a week before the Israeli attack and that was fairly interesting -- I came back and went into his office. Luke was dictating a cable because he had just come from a meeting with Nasser, I think that was his last meeting with Nasser, and he showed me what had been said. I saw him just the other day, he sat at the same table at DACOR with Andy Killgore and me; he knows everybody, he is really the establishment.

Dave Nes was the DCM, and Luke was transferred. Ness saw what the situation was and was imploring the State Department to send a career officer with Arab experience to Cairo because of the tenseness of the situation. I gather that Ness got himself into some trouble over this. Dick Parker was head of the political section and he had been sent to Yemen, you know the Egyptians were in Yemen, he was sent down there.

Q: There had been an AID problem with the Egyptians...

BLACKISTON: Oh yes, two AID persons had been arrested and he was trying to get these guys out. I remember he sent a cable saying, "It is time for me to go, because my barraka is going," meaning my luck charm; so he was brought back. I was talking to him about this some months ago because he is writing a book about the 1967 war, part of it has already appeared in the *Middle East Journal*. When Parker was in Yemen that was the time that Nasser called up two divisions and moved them across the Suez Canal into the Sinai; this was the time when they asked for the UN troops to withdraw. I remarked, and I told Dick Parker this because he asked me something about it in connection with his book, that I had seen Egyptian troops around standing guard and I said, "Well they don't look too bad." Then when I saw this exercise of moving these troops through Cairo and on across at Qantara -- there is no bridge there, you know; there is a ferry at Qantara, which really means crossing -- with vehicles breaking down all over the place, trucks unhooked from their artillery pieces, little boys pushing these trucks, oil coming out of the crankcases, I said to myself this is going to be a disaster if this ends up in war.

As you know, the morning of the attack, June whatever it was, I had come into the Embassy and I saw some shrapnel on the ground and I asked Gene Bird, who had been there a little bit earlier, what was going on. He said, "I think the war has started," or he said that it had started. By this time the Israelis probably had knocked out most of the Egyptian air force. So then the situation was pretty tense. The Egyptians asked for the cease fire and then they broke relations with us. I had been down at the Embassy -- I lived out in Ma'adi which is a suburb where many of us lived -- and I was home packing up some stuff because I thought we were going to be thrown out. Nasser had made a speech in which he said he was resigning, but this was all a put-up job because immediately the mob started surging through the streets of Cairo and elsewhere demanding that he not resign. I had watched his speech on television. Out near Ma'adi, across a canal, there was an Egyptian military installation and all of a sudden all this gunfire started off, shooting up in the air -- I guess it was anti-aircraft or artillery -- not far from where I was. So I

called the Embassy and I said, "Can you hear all this?" Well this was part of the exercise to generate public concern and so forth, it had been orchestrated. Anyhow they told me, "You have to come down to the Embassy because we have to leave tonight." Dick Parker had asked me to pick up some silverware from his house, which I did. I had a dog and I took the dog with me and drove down to the Embassy. The city was blacked out. We threw all our suitcases and everything into this truck, I guess it was an Embassy truck, an open stake truck. Then we had to go to the train station; this was in the middle of the night, so we moved down in a bus to the train station. A bunch of soldiers from this defeated army were lying around in the main Cairo train station sleeping, so you had to step over their bodies to get on the train. I think we sat there for a while but finally the train pulled out; we were going to Alexandria, of course. In the meantime the Embassy in Athens had chartered a ship. By this time it was early morning, and before we got to Alexandria it was light. On the way the Egyptian peasants, as the train passed by, would hold up their shoes with the soles pointed toward us -- which is an Arab insult -- so that we could see this from the train. It was all pretty ridiculous to us. When we got to the ship terminal there were no porters, they had purposely been told not to help us, so everybody had to...we formed a human chain and put the bags on the ship. I may just parenthetically say that the person who was sent to be Ambassador, Dick Nolte, never got a chance to be Ambassador, never presented credentials because the Israeli attack had taken place. Nolte, Dick Parker and I were sailing on the Nile the night before the attack took place. Parker had a boat with Gene Bird, so we got on this ship, ultimately we sailed; we had some news correspondents, some private citizens. Just outside the territorial limits two American destroyers picked us up. We sailed on and then one boiler broke down; I think we had one boiler working, but we were vastly delayed getting into Piraeus. Everybody was then accommodated by the Embassy in Athens.

Q: When the war started what were you all doing in the Embassy? What type of thing were you doing during this six-day war?

BLACKISTON: What were we doing? Well we surely weren't going about normal business -- I guess we were doing whatever we were asked to do, I just can't remember.

Q: You got into Piraeus, you had only been in Cairo for six months...

BLACKISTON: Ten months. Oh, I might say that the families had been evacuated before. My wife and my children were in Athens.

GORDON S. BROWN

Economic Officer

Cairo (1966-1969)

Egypt Desk Officer

Washington, DC (1969-1971)

Gordon S. Brown was born in Italy in 1936. He graduated from Stanford University in 1957 and served in the U.S. Army from 1957 to 1960. He entered the

Foreign Service in 1960 and served in numerous countries including Iraq, Egypt, Saudi Arabia, France, Tunisia, and Mauritania. He was interviewed December 11, 1996 by Charles Stuart Kennedy.

Q: You were in Egypt from when to when?

BROWN: From the summer of '66 to the summer of '69, with a gap which I will explain later. When I got to Egypt I was junior officer in a large economic section in a situation in which our embassy was really underemployed and overstaffed. Our relationships with Nasser's regime had gone downhill over the previous years. Our staff was cut off from many working contacts with the Egyptian bureaucracy. We, in fact, were quite often scrapping amongst ourselves in a very unseemly manner about who was going to talk to whom in the Egyptian bureaucracy, because at various times there were only ten or so people who would speak to us - the designated contacts of the American embassy, more or less. It was hard for a junior officer to make new contacts, hard for a junior officer to get out and really do good work because the sources of information had dried up. Official Egyptians were scared and would not talk to us. As a junior officer my responsibility was to follow the oil industry, and to follow a few other extractive industries, the phosphate industries, and others. We had a huge section. The A.I.D. economic analysis division and we were combined in one joint economic section. We were all frustrated. It was immensely difficult to get information. I remember the professional economist on the A.I.D. staff tearing what little hair he had left out. We were an unhappy embassy to be perfectly honest.

Q: Who was the ambassador?

BROWN: Luke Battle was the ambassador.

Q: What was the feeling towards Nasser? You arrive at an embassy, and you talk to the other officers. Was the feeling that we were doing something that maybe we shouldn't of done, or should have been doing, that we weren't, or that Nasser was impossible. What was the feeling?

BROWN: I think our infatuation with Nasser had kind of run out. When Nasser came to power, if you'll recall, he had some relatively important American connections. He knew people in the American embassy. We thought this is a guy we might be able to work with. But over the years from '53 to '66, by the time I got there, that had gradually evaporated. We'd had too many crises, too many negotiating deadlocks, too many failure to delivers on both sides, and we were quite thoroughly disillusioned with each other. The view in our embassy was it was really almost impossible at this point to assume that Nasser would play a positive role with respect to peace in the Middle East, and that we had kind of run out. And I think we were sitting there waiting for something to happen in a sense.

Q: Was there any attempt to sort of down size, or anything?

BROWN: Again, I was a very junior officer. No, I got the impression that we were going to sit there and tough it out and pretend we were still important just because we were large. But we weren't important anymore. The A.I.D. relationship had dried up, we didn't have any leverage with the Egyptian government, Nasser. And we had come to the point at which we decided to

have a correct relationship, but we could live without a productive relationship.

Q: What were we doing with aid?

BROWN: A lot of feeding programs if I'm not mistaken, for urban poor, and I suppose also for refugees in the Gaza came through Egypt. I don't remember much else because there weren't many capital projects, but there was still a large A.I.D. mission. And I really do not recall what they did. It shows how irrelevant it probably was.

Q: Were you and your wife able to get out into Egyptian society?

BROWN: To a certain degree, yes. The middle grade bureaucrats never became open to us and it was hard for us to get to know them. There was a certain group of Egyptians who were pro-western, middle class, and who sought out westerners, and whom we saw a fair amount of. The inhabitants of the Gezira Club. We didn't have good friends amongst the Egyptians, but we had enough friends so that we felt we knew some Egyptian families fairly well. They were ones who were already probably under surveillance by the Egyptian intelligence as being pro-western and potentially disloyal.

Q: Did you all feel the hand of Egyptian intelligence?

BROWN: We didn't feel it so much but we saw it reflected in our attempts to make friends with the Egyptians, yes. There were certain people who wouldn't see us, or would see us only in national day receptions type things, would meet us in a coffee shop or something like that, wouldn't come to our house. The Egyptians knew that anybody who had close relationships with western embassies was followed, was watched, and they didn't like to complicate their lives. So our relationships with normal Egyptians were flavored by the intelligence apparatus.

Q: What was your impression of the Egyptian economy, and where was it going?

BROWN: It was one of those parables that the economy shouldn't really exist, or shouldn't really be in balance at all, because its always been going downward. And yet it seemed to hang in there. Cotton was still the mainstay of their economy, and cotton was clearly not as good a product to market internationally as it had been before. They weren't making as good money from it. Their mills were not doing as well as they had. Synthetics were coming in and competing very hard. They had state marketing boards which were inefficient and not price sensitive. So they were having real trouble with that. They were still in an effort to try to build up heavy industry, and they were building all these Soviet-style industries which were probably a negative factor on economy one way or another. But they were methods to employ people in the towns, and the population growth problem was just beginning to really balloon in the way that it has over the last 30 years -- to levels in which it was gobbling up all national growth. There still was prospect for growth in the Egyptian economy, but the prospect for growth on the population side was even higher. It wasn't a hopeless situation, but it was one of those situations in which it was very hard to see how they were going to dig their way out of it.

Q: This sort of unpromising feel, how did things lead up to what amounted to the '67 war from

your perspective?

BROWN: To be perfectly honest the '67 war sort of sprung out at us. I was caught particularly off guard, I suppose partly due to my preoccupation with economic issues, and partly due to the fact that for the month preceding the war, and the crisis, I had been involved in some other crisis down in the Yemen. At that point, if you'll remember, the Egyptians were occupying the Yemen as the supporters of the nationalist regime which had overthrown the Imam. His followers were still on the hills, conducting guerrilla warfare supported by Saudi Arabia, and we were indirectly partners to that whole process -- as you can imagine. At least it was assumed we were, because we were supporting the Saudis, and the Saudis were supporting the royal family. Ergo, it was assumed we were supporting the royal family.

There had been a crisis in our relationships with the Yemen, an event probably concocted by Egyptian intelligence, in which there had been an explosion in one of the ammunition dumps of the Egyptian army in Taif. It had led to rioting against our branch embassy office in Taif. Our embassy office had been ransacked, and the staff expelled, and two people were arrested. The embassy itself was up in Sanaa; couldn't get officers down to Taif. Since the Egyptians were so heavily involved in all of this, our embassy in Egypt got in the middle of the act and said we wanted to send a group of people down from Egypt to the Yemen, to help clean up and straighten up this mess. Dick Parker, who at that point was political counselor in Cairo, led a team of three or four of us down to the Yemen. We were there for maybe three weeks, during which the Suez crisis erupted. We were shocked that it had erupted because it erupted more or less unexpectedly. I don't even recall what the trigger was at this point.

Q: Before we talk about that, could we talk about what you did in the Yemen? What was the situation when you got there? What did you all do?

BROWN: We cleaned out the embassy office, and cleaned out the houses of the people who had been expelled, in an effort to return to the government its property (much of which was scattered all over the floors of the embassy), and to return to individuals much of their personal property. And, frankly, to break up some of the things we hoped the Yemenis wouldn't realize that we had in the embassy -- cryptographic and other equipment. The Yemenis were extremely suspicious, and they watched us pack things up as we brought them out, and everything that looked at all electronic was considered to be spy equipment. It was an endless haggle and negotiation. Dick Parker himself left after about a week, leaving the rest of us to cobber this thing together ourselves. It was an endless negotiation getting things out administratively. We were cleaning up the mess, trying to restore a little bit of order to the American government's and private property.

Q: What about the people who had been arrested?

BROWN: Some of the members of the embassy staff, Rocky Suddarth among them, were babysitting those people up until the time they were released -- which I think was shortly after we left. But during all of this period, we were only aware of the growing crisis up at the Suez area by the radio. Of course we had no guidance from the embassy because we were cut off at that point. We had no communications, having destroyed all of the communications equipment.

Q: When did you get back?

BROWN: I'm not sure I know the date, but I think we returned to Cairo about the last week of May sometime, and I returned to the embassy to find my wife and children in line to get their shots so that they could be evacuated the next day...or even that afternoon. I think they were evacuated that afternoon on planes. We then in the embassy hunkered down and waited to see whether the war would break out. I recall the return to Cairo was a little bit of a shock because we came out from the Yemen through Asmara, I think, where we were told that Nasser had backed down and called off his blockade in the Straits of Tehran, and we proceeded to get drunk on that basis, and think, well, the crisis is over and sanity has been restored. And then we got back to Cairo and found out that wasn't the case at all. In fact our families were leaving because the embassy foresaw that the situation was getting worse. And indeed it continued to slip down. At this point, of course, we were without an ambassador. I think it was in that week that the new ambassador, Dick Nolte, arrived -- with Battle having left I suppose several months before. Dick Nolte arrived as the new ambassador-designate, and as things slipped down to the outbreak of war the Egyptians got more and more nervous, and one of the reasons we realized they'd gotten nervous is they called us on about the 3rd of June. It was after the government had changed in Israel, and Dyan and his friends had come in to the government -- and that was a clear sign that trouble was getting closer, at least as far as the potential for outbreak of military activity was concerned. They called around and ask Mr. Nolte if he wouldn't come around please and present his credentials so he could be the official representative of the United States instead of just the ambassador-designate. In fact on the morning of June 5th the embassy staff was gathered in front of the embassy waiting for the signal from the palace, so that we could start the cavalcade and go over to the palace and present the letters of credence. And in fact what came was not a message from the palace, but a message on the radio saying that the Israeli air force had struck. Things were obviously wrong before we got that message. I still remember that, standing around, why the delay?, and how we found out.

Q: What happened then?

BROWN: During the war, of course, the 5 day war, we sort of hunkered down and watched the planes fly over, and the crowds march, and listened to the radio. Basically the Egyptians were getting their clocks cleaned out in the Sinai. They were trying to withhold the information from the Egyptians, so we were listening to BBC. We were reporting on what was going on in Cairo, which was essentially unclear, not just to the foreign community, but to all the Egyptians too. The average Egyptian did not know what was going on and was listening to the international radio just to find out. At first they didn't believe it, until the troops started flowing back across the canal -- or those who made it back.

Then, if you will recall, the night of maybe June 10th or something like that, Nasser resigned and the mobs came out and circled our embassy, and we thought we were in for a bad night of it. The Egyptian police were very good and kept them away. Our embassy is very close to the center of town in Cairo, and there must have been a quarter million people out there on the square, just three blocks away. The police kept them away but our library had been burned a few years beforehand -- the library was in the same compound -- so we were aware of the possibility of torching.

Q: Did you have any contacts with the Egyptians? Were you hearing the idea that it must have been Americans airplanes that hit the Egyptian airports. Or did that come up later?

BROWN: We were hunkered down, frankly. At my level we weren't encouraged to go out and start idle conversations with the Egyptians, and what we were hearing was almost entirely from the radio. My recollection was that Nasser was saying on the radio that these were American planes, and that was one of the reasons why we were so worried about the crowds. We finally were evacuated by train from Cairo down to Alexandria, it must have been the 11th or 12th of June, I don't recall what date it was, but it was after all the shooting was over. Then we were evacuated by boat to Greece. It all seemed rather stupid at that point to be evacuated because everything was over. Four members of the embassy were left behind to be an interests section in the Spanish embassy, and I obviously was not one of them.

Q: What did you do when you went to Greece?

BROWN: Joined up with my family, which of course was enjoyable because I hadn't really seen them except that one afternoon for almost a month. Most of the American community was staying up in the hills above Athens, in a town called Kifisia, and my wife had been very enterprising and found friends who had friends who were going on home leave that summer, so she had gotten a house, whereas everybody else was in hotels. She had gotten a lovely house with a view over the hills surrounding Athens, down toward Athens. We all went into the embassy, really to see the ambassador and ask if there was anything we could do. There was a special area for the people who had been kicked out. Most of the time we were told no, so there wasn't much for us to do so we sat around and enjoyed Athens -- which was certainly easy.

After about a week or maybe ten days, some of us, from the military and others who were a little bit faster, perhaps, began to reassign their people -- on the theory there was no sense keeping them in hotels for the indefinite future. They began to get reassigned. We were fortunate enough to have a place, so we gave a party for all of our friends in the embassy and invited everybody up to our place (which had a beautiful terrace overlooking the hills of Athens.) We had a marvelous party, and on the theory that I wasn't going to have to go to work the following morning, I probably over drank.

I remember waking up early in the morning with a banging headache, and a call from my Cairo boss saying, "Gordon, they want you to go to Dhahran, Saudi Arabia." And once again, I wonder sometimes how long it took me to understand what was really going on. But I was once again a little too naive, and perhaps a little too much of a Boy Scout; just having been "saving our bacon" down in Yemen. So like a good Boy Scout, I saluted and went off to Dhahran, Saudi Arabia a couple of days later -- without even waiting for the formality of a visa; I just figured I could talk my way in. I discovered later that many of my colleagues had been approached for this same "choice" assignment, and found some way to make themselves absent, sick or otherwise unavailable when the opportunity was offered them. So I was the only guy stupid enough to go down to Dhahran. And I left my wife and family after a couple of weeks in Athens and went off to Saudi Arabia. It was supposed to be a 30 day TDY, and it turned out to be a relatively extended TDY for various reasons. The consul there kept pretending that he needed me, which

wasn't really the case. He really just wanted to take advantage of the availability of an extra body to build up his staff.

Q: Who was the consul?

BROWN: Art Allen. The other reason (for the long TDY) being that, by that time, it had already been decided that I was going to be on a short list of people to go back to Cairo if we were able to expand the embassy there. They didn't see any reason for taking me out of the parking orbit that I'd just been put into in Dhahran, and putting me in another parking orbit. "So let him stay in Dhahran." I stayed in Dhahran, and at the end of 30 days I called people and said, "My TDY is about to expire, what do I do now?" And they said, "Stay." And on the 59th day I was on the line again, saying, "My TDY...what do I do now?" By this time, my wife had gone back to England - - which is where her family home is. I was told at the end of 59 days, well, Forget it -- we are going to keep you there because we don't know what else to do with you. We don't care if you're not doing anything worthwhile, etc. Actually, I was doing things which, in retrospect, turned out to be very interesting. I traveled down the Gulf. Dhahran was at that point still responsible for reporting on Gulf affairs.

Q: Was there an UAE at that time?

BROWN: There wasn't. It was in the process of being formed. Even Kuwait did not have an American embassy. So Dhahran reported on all those places, and it gave me a chance to travel in all those areas long before they became filthy rich. It was interesting to have that counterpoint, subsequently -- I had a starting point for seeing how those places developed. But to me, one or two trips down the Gulf were enough. There wasn't terribly much to report on, and after I'd seen them, I'd seen them, and I didn't want to spend my time traveling back and forth. And there wasn't anything for me to do in Dhahran.

Q: Did you deal with ARAMCO?

BROWN: Well, as a new boy, and as a TDYer I wasn't really given any clear field of responsibility. I was given jobs ad hoc. Of course, you dealt with anybody who wanted to see you, but I was junior, and there were already people around who were designated as ARAMCO point of contact.

Q: So it left you for the high life of Dhahran and Dammam.

BROWN: Well, and reporting on the reaction of the people in Ras al Khaymah to the war! I'm sure those cables were read with great interest in Washington. It was interesting from a personal development point of view, but it was not terribly valuable to the US government, and I was champing at the bit. So I may be one of the few Foreign Service officers who ever went AWOL from a TDY. In the end, I called enough people in Washington and elsewhere to discover that they really didn't give a damn where I was. All they wanted to do was make sure they didn't have to pay anything additional to what they were paying at that point, which was my TDY per diem in Dhahran. They were looking at it purely as "Gordon's in parking orbit; we've got so much money budgeted to keep him in parking orbit, and as long as he doesn't disturb that equation we

don't really care." So I took the bull by the horns and told Art Allen that I was going to Bahrain for a holiday over the weekend. I think this was about the end of 90 days. And, indeed, I went to Bahrain that weekend, but what he didn't know was that I took the next plane out to London. I never bothered to phone Art to tell him I was not coming back. I felt badly about it subsequently because he was a decent guy, but he was really off base thinking that he could get me on his staff by virtue of an endless extension of TDYs with no job description. I just wasn't going to put up with that, so I didn't. I went to London and called my friends in Washington and said, "All right, I'm now in London; please regularize my situation, I don't need any per diem because my wife is here on temporary quarters and just allow me to stay here." They said all right. So, I didn't have to go back to Dhahran, and I stayed in London. That must have been by that time October; I stayed in London for the Fall. I didn't go back to Egypt.... I was finally reassigned to Egypt about Christmas time, and went just after Christmas.

Q: So we're talking about the end of '67, and you were there through a part of '69.

BROWN: Yes. We were there for two years after the war. That was a very interesting period because not only was the embassy reduced from its ridiculous staffing levels of the 1967 period, but dialogue with the Egyptians had opened up. We were an interest section in the Spanish embassy, six people, which meant I had a real role. I was reporting on domestic political events, which included treason trial of Marshal Amer and a number of other interesting developments. I was also reporting on economic events at a time when we suddenly became allies of the Russians in a small manner -- because the Russians were having just the same amount of trouble as we were getting information from the Egyptians. So I would troop around the Russian embassy once a month....

Q: You were saying Russian, but it was Soviet.

BROWN: Go around to the Soviet embassy once a month and talk to their aid counselor, and try to get figures about what they thought the economy was doing. It was an interesting period, because the embassy was active, and engaged in a lot of things, and Don Bergus (who was the interest section chief) was very much involved in trying to get the UN peace mission -- the Jarring mission -- up and running. He was the UN special representative for the Middle East. We had a very open dialogue with the Egyptian foreign ministry, and the palace. Bergus was being consulted because Nasser at that point realized he needed the United States to help him get out of the pickle that he'd gotten himself into. So we were playing a role. That was mainly Don Bergus -- I mean, I was out of that because I was once again doing kind of routine work of the embassy, while he was doing the fancy political negotiation. But I kept enough in touch with it to be fascinated by what was going on.

Q: Did you feel a change in atmosphere?

BROWN: Definitely, not only because the Egyptian government was for once looking to us to be part of the solution to their problem. The Amer trial, which I alluded to a minute ago, was a reflection of the fact that the security services had collapsed, and as a result all of that intimidation of sources which existed before the '67 war disappeared by '68.

Q: What was the Amer trial?

BROWN: Marshal Amer was put on trial for treason, theoretically having plotted against the security of the state after the war: plotted to overthrow Nasser. It was never quite clear whether it was a frame-up, or what. But not only was Amer, who was one of the chosen successors of Nasser, but also the head of the Arab Socialist Union, the party that both were in, incriminated. I don't even recall what the results of the trial were, but Marshal Amer was dead. He died in the interim, but he was being tried in absentia, more or less. If I have my facts right, he probably was accused of attempting a coup, and he was probably convicted. The relevance isn't whether or not they were convicted, or whether the charges were relevant. The whole thing was that Nasser, having survived his resignation, was now trying to create a scare so that people would rally behind him again, and keep him in power, and that he would have a more solid power base. He was trying to eliminate potential rivals, and Amer had misled him about the preparedness of the Egyptian military before the '67 war. So he had guilt -- at least in terms of his military responsibilities, which he had obviously not lived up to. The result of this was that, with the trial, and with the breaking down of the security services which took place as a result of the trial, and as a result of Nasser's breaking of all of the old controls, the Egyptians were much more ready to talk, and much more ready to hypothesize, and meet with foreigners. It was an interesting, exciting time.

Q: We were now able to make contacts, what sort of contacts?

BROWN: Well, you could literally talk to anyone in the bureaucracy at that point. The problem was you couldn't get good information; you never could. My responsibilities got more and more focused on helping and dealing with the American oil companies, which at that point were really beginning to develop good petroleum resources in Egypt. The Egyptian government needed the money, and therefore wanted us to feel good about the relationship. I spent a lot of time in liaison with the companies, which was more of a consular -- almost -- function, but an economic, AMCHAM, kind of opportunity. Our reporting actually got to be very sketchy, and almost a model for small embassy reporting -- in a sense, it might be something that we could think of now that we're now in the process of shrinking embassies again. That is, we got the State Department to subscribe to the Economist Intelligence Report, and we subscribed to it, and we would comment on it informally in our cables. We'd say, "Yes, they've got this more or less right;...we don't have any statistics to prove it... but we think they're wrong here; they're right there..." We didn't do a lot of first person reporting. Charlie Marthinsen and I were the reporting section of the mission, and we had an awful lot of things to do like closing up USIS, the A.I.D. feeding programs, and things like that. So a lot of our work at that point was more in the care and feeding category, because there were a lot of big programs which had to be closed, collapsed, and new programs in the oil industry growing, all of which had to be kind of liaised with.

Q: One hears very little about American oil interests in Egypt. Where was this happening?

BROWN: AMOCO had discovered major oil...not major oil in terms of Saudi Arabian reserves... but major in terms of Egyptian requirements, and even enough to export. They discovered this down in the Gulf of Suez and were busy developing a multimillion dollar project which involved importing a lot of things. In the Egyptian economy, where imports of capital goods were very

complicated and difficult to achieve, you were constantly fighting battles with the bureaucracy, helping AMOCO to bring its stuff in. Phillips was exploring in the Western Desert in the al Alamayn region. They discovered gas. Egypt is still an oil exporter, on a minor scale. They were also beginning negotiations for the Sumed pipeline, which is an oil pipeline which goes from the Suez to the Mediterranean, to bypass the Canal. So we were involved in that as well.

Q: Did you find much resentment about the so-called role of the United States in this war?

BROWN: Of course. The Egyptians to this day are probably still convinced that American planes flew, simply because myth is much more comfortable than reality. I think, by the time we left, they had accepted the fact that the Egyptian army had in fact been defeated by the Israeli army, but they still wanted to have another explanation that went beyond that. That there was a third party involved, or a fourth or fifth. So, yes -- and this is part of the baggage, as I said earlier, you carry when you work in the Arab world -- Arabs look upon any American as a direct or indirect supporter of Israel.

Q: Was there any curiosity with people you talked to about Israel?

BROWN: Growing, but still relatively minor. When we left Egypt in '69 we went out through Israel...went out through Jordan, I guess, I can't remember exactly how we did it, maybe the family didn't go. I know that I went to Tel Aviv in '69, when we left Cairo. I had some appointments up in Jerusalem with Israeli intelligence, and the foreign ministry, that were arranged for me by people in our embassy. I tried to tell them that the average Egyptian had...the lesson he had learned from the war was that Israel was there to stay. That Egypt was paying too high a price to be the champion of the Arabs. That they wanted out. And I said I thought the government felt the same way; it was looking for a deal. This was due to my secondhand watching of Don Bergus and the Jarring mission, and all those official negotiations. But my general reading of the situation was that. I remember trying to make this point to the Israelis, and they kept bringing up worse case scenarios -- sort of saying, well you know, how can we be assured of what are you talking about? Where is your proof? And I just kept feeling that they were missing it very badly. My reading was that the average Egyptian wanted nothing more than to get out, and wanted the government to find a pretext, and do it. It took four more years, obviously, for Sadat to come up with that pretext, and it took another war, the Yom Kippur War, to do it.

Q: During this post-'67 war did you get any feel about the role of Nasser? Had that changed or not?

BROWN: Oh, yes. He was hanging in there. I think people had rallied around him because Egyptians are profoundly conservative people, and the idea of having lost a war and then getting rid of the only leader they'd known -- by that time, 12 or 14 years -- was hard for them to countenance, and they didn't want to discredit him at that level. They were prepared to accept almost any explanation for their loss other than that Nasser had made a mistake. So the Amer trial was a way to shift the responsibility, and the idea of Americans flying Israeli jets, or flying their own jets, was another way to shift responsibility. The average Egyptian was looking for a way to avoid pinning the responsibility on Nasser, although there was a lot of grumbling about it.

But even though they weren't prepared to lay the responsibility at his door, they all knew that he was a dead force. That he was finished. It was just kind of unspoken, that the Nasser era was over.

Q: I guess you were so terribly busy that you probably didn't have much time to make contacts in the university and places like that.

BROWN: Frankly, I didn't spend much time at the university. It was pretty much the hot bed, with the radicals. If you were going to get in an irrational situation at that point, it'd be there at the university. Our instructions were to take a pretty low profile.

Q: The fact that you were working under the Spanish, did they play any role particularly outside of as a cover?

BROWN: They were a cover. The ambassador was a real gentleman though probably an unreconstructed fascist -- I mean, this was in the Franco days, and his wife was even German. But they were very nice. They were good to us, and they allowed us essentially to run as if we were an independent mission. I think he tried for, but was happy not to succeed to have, signature authority. In the end, they signed our foreign office notes, without even translating them into Spanish. They were very good in terms of being responsive to what we needed, and staying out of our way.

Q: So you left there in...

BROWN: ...in the summer of '69.

BROWN: We came back to Washington and spent a fairly long period in Washington: '69 to '73.

Q: Were you doing one or two jobs?

BROWN: My first job was in Egyptian affairs. I worked for Dick Parker in Egyptian affairs for two years. Joe Sisco was the Assistant Secretary of State at the time, and we were all busy. It was my first serious job in the Department. I remember what struck me more than anything else was how different the Department saw things from the way we'd seen things from the field, and how irrelevant some of the things were that we'd been doing in the field -- in terms of reporting things that we thought were deathless. The field was totally ignored in Washington.

Q: Can you give some idea of what the concentration in the field would be as opposed to say the concentration in the Department regarding Egyptian affairs.

(begin lots of noise on tape -- not possible to transcribe.)

BROWN: This goes back to my experiences in Iraq as well. I think that, when you're overseas, you try desperately to understand the decision-making culture of the country you're in so you can

predict decisions, and predict political events. And you spend a lot of time looking at really sociological and anthropological questions: How do people influence each other? What are the channels of influence? What other factors shape decisions on foreign policy? You write these in reports back to Washington, but they are read by only a couple analysts in INR and CIA. You never had time to read them! The operational people in the Department - all they care about is the decision, they don't care about how it got reached. So they wind up dealing with consequences, not causes, and our policy reactions often are not addressed to what motivates our adversaries.

Long noise-gap on tape 2, side A

Q: During this '69 - '71 period this is brand new Nixon. William Rogers is the Secretary of State, Henry Kissinger is sort of getting his feet wet in the National Security Council. Did you have any feel for a different attitude towards Egypt? We're talking about...Nasser is still in, but Nasser is not quite the same as he was. Was there the feeling back in Washington that the Soviets were calling the shots in Egypt as opposed to...did they see the Soviet role differently than you saw it?

BROWN: There were different levels in Washington. I think most of us in the Near East bureau bridled at the fact that Kissinger was focused on influencing the Middle East through dealing with the Soviets. We thought that the local parties had their own interests, and were more than capable of identifying those, and if we approached them directly we might affect their decision making process. There was a split between the desks, the NEA front office, and the seventh floor on that. But in the end Kissinger had his view, and he prevailed.

Q: Did you have any feel during this early times of the Nixon regime of how Secretary Rogers...you know, at one time one was given the impression Secretary Rogers could play with the Middle East while Kissinger dealt with the rest.

BROWN: I was too naive, I think, really to understand what was going on most of the time. I know most of us were relatively frustrated by the fact that at least the peace process was more process than real, and that a lot of it was an effort to cut the Russians out of any action in the Middle East. A lot of it was being done purely to buy time. I remember being shocked at one point when I discovered that Joe Sisco's latest brilliant ploy, which he presented as a real effort to create movement towards a settlement -- and, as an aside... (I think I was working as his staff aide for a temporary period)... and as an aside, he said, "That will buy us a couple more months." I suddenly realized we had different agendas in working the same thing. Rogers, yes, I think it was during this period that the famous Rogers Plan failed, and of course we were all hopeful and disappointed when it didn't succeed, but I don't think any of us were surprised.

Q: Was there any feeling of a certain amount of cynicism about...when I think about this there's the Johnson Plan, there was a Rogers Plan, there's the X Plan, here is the United States essentially trying to settle a tribal dispute of a very small bit of land, and both sides have a claim to it, and we have great pressure within the United States the Jews have more influence than Arabs. All of our involvement and effort in this over the decades go on. I'm trying to capture '69 to '71. Were you so engaged that you were engaged in this?

BROWN: You were engaged in what you were doing, and hopeful at the prospect of seeing a step that would be significant. As I say, I thought the time was right, at least for the Egyptians. I don't even remember most of the stuff that took place. In retrospect, it seems there was a continuous flurry of diplomatic activity designed to buy time or to freeze the Russians out.

Q: You say that buying time, what was the essential purpose of buying time for what?

BROWN: Buying time to keep people from killing each other, and avoid a major power confrontation as a result of it.

Q: Was there any contact between you and the Soviet desk on what the Soviets were trying to do?

BROWN: No, not really. You'll remember that in NEA you had the IAI desk, the Israel and Arab Affairs, and most of the peacekeeping in those days was centered there in terms of what the Soviets at that time were doing in Egypt. I had some contact when I was in Egypt, but not when I got back, no.

Q: What about the Israeli side. I mean, when you were with the desk, was there good communication with the people who were dealing with Israeli affairs?

BROWN: They worked next door. They were our professional colleagues in every way. They were probably, if anything, more cynical about the process than we were because they were a little closer to it, since they tended to be the people used by the front office to back up most of the peace process. Much of our activity on the Egyptian desk was bilateral things: dealing with visa problems, economic reporting, debt rescheduling and things like that. So we were, in a sense, kept out of the peace process. This was even before we had special negotiators. They were our colleagues, and many of them shared the same opinions. I mean, we didn't have any division of opinions. In the Bureau there was lots of discussion, but not that much argument about our basic aims and policies.

Q: Did you feel any affect of AIPAC, American-Israeli Political Action Committee or not?

BROWN: I'm not sure AIPAC even existed at that time. Of course, we were all aware of the Israeli lobby, and again the people who were most involved were the people on the IAI, Israel-Arab-Israel desk. The rest of us were to some degree shielded from it. But, obviously, when things came up about, let's say, debt rescheduling, there were opposing opinions about whether we should be bailing out Egyptians, made by people who didn't care for Egypt's political position. Obviously, the Israeli lobby was very strong there.

Q: Can you give a feel for how Dick Parker, his outlook on the situation during this time?

BROWN: Dick was an interesting boss to work for. I'd worked with him before both in Beirut and Cairo. He was both cynical and, occasionally, a bitter guy. I sensed that he kept it to himself in terms of content, but in terms of atmosphere, it was tough working for him sometimes because he was tense and frustrated. Sisco was an interesting study: a very effective Assistant Secretary, even though he didn't know much, or even care much, about the Middle East.

(long noise on tape)

Q: In one interview described it, there used to be a cartoon of IBM and you'd have a sign saying "think". Instead above Sisco's there would be one "scheme".

BROWN: He'd say that quite regularly: "This is the way to achieve things, particularly in the Middle East." He was probably right. One thing he had, with his ethnic background, and coming from Chicago -- he understood that things don't work in a linear or logical fashion with a lot of people in the Mediterranean world.

Q: When you were back in Washington did you see what were our interests?

BROWN: I don't think so. Egypt is a big enough, and an important enough country so that it's a key to any Arab-Israel settlement. So, we weren't working under any illusions, either at the desk or overseas, that it could be ignored. I think we saw it pretty much the same, that it was necessary to get them to lay down their arms. If that happened, the rest of the Arab world might follow but at least the threat of a major confrontation would be reduced. So Egypt was important, and the presumption was just about the same as it was from the field. Quite often in an embassy you think the country you're at is very important. But this time Washington agreed.

Q: Did you feel any pressure at the height of the protests about Vietnam? Did Vietnam play any role in what we were doing there? Did you feel any tremors?

BROWN: At the Kissinger level. But the tremors were so weak at my level, to be perfectly honest, that I didn't deal much with the issue. You know, of course, the Egyptians and others tried to put us on the defensive because of our experience in Vietnam, saying that we didn't have the credentials to be peace brokers elsewhere, etc., etc. (noise)

Q: How about the Egyptian embassy?

BROWN: Their ambassador at that time was Ashraf Ghorbal, who I think is really first rate. He was very effective, very good, but he was ill. He learned to get along with the Israelis to the extent he could. Our relations with the embassy were fairly warm. We were doing a lot of bilateral work, and we would see him fairly regularly.

Q: Did you have any feeling with the new Nixon administration that we were trying to either up-play or down-play our relationship with Egypt? Or it was pretty much all of a piece from what it had been prior to that?

BROWN: I didn't have any comparison to make on that. I'd been in Washington so little that I can't make a comparison. I certainly didn't have the impression that people were ignoring Egypt, or were trying to down-play one of the key players in a process that was important to Washington. Whether that process was being handled at the Secretary of State level, or the White House, may be irrelevant. It wasn't top priority, but close to it. This is one of the few places where we and the Soviets ran into each other, ran the risk of really colliding with each other.

ARNOLD DENYS
Vice Consul
Alexandria (1966-1967)

Arnold Denys was born in Belgium. He came to the United States to study at Gonzaga University in the state of Washington. It was at Gonzaga that he developed an interest in Foreign Service. He subsequently transferred to Georgetown University's School of Foreign Service. In 1955, he became a naturalized U.S. citizen. After graduating from Georgetown in 1956, he was drafted into the U.S. Army. His Foreign Service career took him to Panama, Egypt, Athens, Mexico, Canada, Belgium, and Mexico. This is taken from his memoirs, Son of Flanders.

DENYS: At the end of September, 1966, we left England and took Rebecca on her first visit to see her paternal grandparents in Pittsburgh. Home leave was seven weeks long, and was devoted to family.

Our trip from Pittsburgh to Alexandria, Egypt, with our nine-month old baby was one of the longest we took in the foreign service. We always put Rebecca in a traveling cot, which made her fall asleep more quickly. During the early evening, as our plane was slowly descending to the Athens airport, we saw mountains and little Greek villages. A TWA representative met us at the airport and told us that we were checked into a hotel for the night. During the forty-minute ride to the Alpha Hotel we saw beaches, beach houses, white villas, shopping areas, the Acropolis, the Temple of Zeus, and Constitution Square. It was already dark when we settled into the hotel, and it took us several hours to put Rebecca to sleep. After a few hours of rest, I took a walk in the city.

Athens is very friendly and cosmopolitan. On every street corner there are fruit shops, with an abundance of fresh Mediterranean vegetables and Greek wines. A grocer told me that there are two types of wine in Greece: one with pure grapes, another mixed with raisins. Everything was new and colorful, and I felt the richness of Mediterranean culture.

In the evening we left for Cairo. It was a smooth flight, and was the last leg of our long journey. At the airport we were met by Dick Weitzel and a local employee of our embassy, who helped us with passport and customs papers. Dick worked with me in Panama and was now the budget officer in Cairo. It was good to be with friends in a strange land. Everything looked different - indeed, culture shock seemed to be an understatement. People dressed in long robes and turbans, and spoke in Arabic. In the main hall of the airport we heard the noise of fast cars, large crowds of people, many with small children rushing to get on buses. Luckily, Dick escorted us through the turmoil of people and erratic traffic, and an embassy car took us quickly to the Nile Hilton Hotel, from which we could see the lights of downtown Cairo. It was quite a romantic sight.

Dick invited us to his home in the Cairo suburbs for a late dinner. His wife, Anne, and their two sons, were waiting for us. It was good to unwind in a family atmosphere after the long trip.

The next morning we woke at 6:30 to prepare for the train trip to Alexandria. With the help of an Embassy driver and two Egyptian porters we finally settled into an air-conditioned compartment. From our train seats we saw large, unusual crowds - women veiled in black, men in robes. It took awhile before the train left Ramses Railroad Station, and this gave us a chance to see preparations for President Nasser's departure for Port Said, where there was also an American Consulate. A huge red carpet was laid out where Nasser would be greeting some officials. As our train pulled out of the station, we saw people on both sides lined up in rows waiting for a glimpse of their President and charismatic leader.

We passed little farming villages and saw camels, donkeys and families walking near the Nile. The beautiful sun seemed to erase the reality of the poverty of the masses. A tourist on the train said that the Egyptians were in the period of Ramadan, a Muslim period of fasting that lasts about one month. During Ramadan, Muslims are forbidden to eat, drink, smoke, or have any other pleasures between sunrise and sunset. They eat only one meal each day, after five in the evening.

In Alexandria we were met by Lewis Afram, the Consulate General's administrative assistant, who welcomed us to Egypt and took us to the Cecil Hotel. As we arrived there was a lunch invitation waiting from Vice Consul and Mrs. Hugh MacMillan. I had to go alone because Maïté and Rebecca needed time to settle in.

The lunch with Hugh and his wife prepared me for an afternoon meeting with Principal Officer David Fritzlan. Hugh gave me some hints on what to expect from the meeting at the Consulate. Consul General David Fritzlan was a veteran diplomat, with wide experience in Middle East affairs. He impressed me as being a formal foreign service officer who would demand discipline and protocol responsibilities from his US staff. This proved to be the case. I felt somewhat at ease with him because, like me, he was an avid pipe smoker.

I quickly settled into my office and began supervising consular functions. George Ford II, another foreign service officer, handled economic matters and Jack Bowie's job was political affairs. He was also deputy to Mr. Fritzlan. I came on board to join a competent US and Egyptian staff.

One of the first order's of business was preparing to move to a well-furnished apartment on 18 Rue Djabarti, two blocks from the office. It was located in a high, middle-class building and was spacious enough to entertain out-of-town guests. Most of our officers lived near the Consulate. I learned quickly that security was important, and with a small baby we felt secure living next to the Consulate. This would also prove to be true later on, when our Consulate came under attack.

On Christmas Day, 1966, we were invited for dinner by Consul and Mrs. Jack Bowie. Jacqueline was also a former French national and this made it easy for Maïté to learn about a wife's diplomatic role at post. It did not feel like Christmas on this balmy Mediterranean day, but we felt less lonely. After I had talked at length with Jack, my earlier impression was confirmed that Alexandria would be a busy post. I learned a lot from both Consul General Fritzlan and Jack Bowie, as far as foreign service career development was concerned. They both had experience

working in the Near East.

We had to buy food locally and it was quite a challenge to go to downtown butchers and grocers. There was a great variety of fresh vegetables and fruit. All meats were fresh, and we were able to do fish and meat shopping for an entire week. Since the downtown traffic was quite confusing, we took a cab to do our purchases. We were fortunate that Rebecca liked the local goat milk, which was delivered to the house daily. We also had a small commissary at Embassy Cairo from where we could order coffee and clothing items not readily available on the local market.

The Consulate General was located in an ornately furnished villa that once belonged to the Basili family. They were friends of the late Egyptian King Farouk I (1936-1952). King Farouk spent some summers in this villa. In the rear of the building is a lovely garden. My office was on the ground floor and easily accessible to the general public for visas, citizenship, and consular services. It had a lovely old chimney, bookcase and wood-paneled walls. Behind my desk were the American and Consular flags, which were a constant reminder of the country and career I loved. The building was patrolled by local guards on a 24-hour basis. It was the nicest office I ever had in the service.

One day we visited the palace and gardens of King Farouk, at Montazah, near the Palestine Hotel on the border of the Mediterranean Sea. The floors were Italian mosaic and the staircases were made of Italian Carrara marble. Afterward, we drove to the beach at Mamoura, where we saw a modern apartment complex.

I became deeply involved in consular work in Alexandria and liked every aspect of it. Visas were issued during the day and at night I often received calls from American tourists in distress. My administrative duties included the maintenance and security aspects of the post. In this area of work I coordinated my projects with the administrative/security officer at our embassy in Cairo. I had to be patient because any administrative projects had to be approved by the Embassy.

One of my cherished projects was to improve the aesthetic features of the Consulate indoors. It was at that time that the curator at the State Department started an Art in Embassies program to reflect some "Americana" in overseas posts. I started to gather historic and art pictures to add to the good taste of this neoclassical mansion.

The long-term goal of the Embassy was to acquire the Consulate Chancery as US government property. This entailed preparing justification documents for Washington. Before acquisition of this property could be made we would have to go through many bureaucratic hurdles.

On January 12, 1967, I visited the official residence of the Consul General in Alexandria. The property had been acquired by the US government for the use of the Consul General, and its principal residence had a large living room used to entertain guests. The furniture in the house had been purchased in Greece. I also became acquainted with Pathy House in Alexandria (the summer residence of our Ambassador in Cairo). It had been used as an R & R home (Rest and Recuperation) for American personnel at the US Consulate in Port Said and Embassy personnel in Cairo. This house was donated by the Pathy family (a Hungarian family) to our government. In the exotic gardens are a tennis court and pool. Since the Mediterranean climate in Alexandria

was an attraction, there were many foreign service families from the Cairo embassy coming our way.

For centuries, many European colonists settled in Egypt attracted by the mild Mediterranean climate. The French and English had been particularly visible in Alexandria. Because of their investments in the Suez Canal, they had many commercial interests. Although French and English were widely spoken in Alexandria, I was required to take Arabic language classes three times a week. Professor Abbas had been teaching Consulate personnel for over twenty years. He was a very patient teacher and had devised his own teaching method, which was based on conversational Arabic. He came to my office for the private classes. It was a great intellectual challenge.

There is one place in Alexandria where one could feel Europe's influence -- St. Catherine's Catholic Cathedral, located in St. Catherine's Square in downtown Alexandria. Behind the main altar is the tomb of Emmanuel III, King of Italy. Although St. Catherine was killed in Alexandria, her body is buried near Mount Sinai. The Baptistry of the Cathedral has two lovely murals depicting the birth of a baby boy and girl. A priest of the St. Francis Order said that church services were attended by Italian, French, and Spanish communities. Walking in downtown Alexandria, one could taste the international flavor of the city.

Alexandria had a large Consular representation: the United States, French, English, German, Libyan and Russian consulates, as well as Czechoslovakia. There were close trade ties between Egypt and Eastern European countries. Their trade was often on a barter agreement. The UAR would sell cotton to Eastern Europe in return for Eastern European commodities.

Our US cotton industry was highly protective, and the US government was not inclined to encourage the buying of Egyptian cotton. Egypt had many economic and social problems, due in great part to its rapidly growing population. The Egyptian government had set a goal to attain total employment. They tried to attain this by employing many Egyptians in the military and police forces.

Our own Agency for International Development (AID) officials told us at staff meetings that CARE and Catholic Relief Agencies of the United States were often sending free wheat to Egyptian hospitals and schools. The Egyptian government in 1967 wanted more wheat from us than we were able to give. The food problem was not the only precarious one. Egypt and Syria badly needed dollars to purchase American-made machinery. The Union of Soviet Socialist Republics (USSR) had been more successful than the United States in making inroads in the Egyptian economic development. One of their major projects in the 1950s was the building of the Aswan Dam. This project enhanced Russia's political image in Egypt. President Gamal Abdel Nasser, elected President in 1958, was respected by the masses. He was often seen (or depicted) as a selfless servant of the people. He improved the lot of the common man to the detriment of European business investments. Nasser finally made an assertive political move in 1956 and nationalized the Suez Canal. This almost caused a major conflict in the Middle East. However, the Eisenhower administration intervened to avert a major Cold War crisis. At about this time Mr. Donald C. Burgess, director of the Egyptian Desk at the State Department, arrived at the Consulate. His visit coincided with the appointment of Ambassador Lucius D. Battle as

Under Assistant Secretary for Near Eastern Affairs. Mr. Burgess came to brief us on the state of relations between the United States and the United Arab Republic, and the political union at that time between Syria and Egypt. These meetings were confidential and gave us Washington's view on overall relations with our host country.

On January 18, I went on my first business trip to the embassy in Cairo. It gave me an opportunity to discuss administrative and consular issues with my embassy colleagues.

Since our social schedule was unusually heavy, Maïté got some help from a wonderful Egyptian maid, Miriam. She was very helpful with the general household chores and was good with our daughter. The Egyptians are very devoted to the family and show their affection for children in public. When we took Rebecca to nearby parks they would often stop us to look at her. From Miriam we learned many aspects of Muslim culture and religion. She used to pray at noon and we were impressed by her sincerity in prayer.

As soon as we were settled into our apartment we invited the American and Egyptian staffs and their family for drinks. Some of our guests were Mr. and Mrs. Anis, Lily Tanagho, Lewis Afram and his wife, Anna and Tacky Papadimitriou, Dolores Knauer and her fiancé Alex, and Charlotte Lackey. I worked with these wonderful people every day and it was good to have them over to our house. Egyptian families are very hospitable and often reciprocate socially.

We were also close with members of other consulates in Alexandria. At the home of FSO George Ford III we met Mr. and Mrs. Pierce, Vice Consul of Great Britain, and Mr. and Mrs. Arid (an Egyptian attorney). We became especially close friends with British Consul General and Mrs. Frederick Waters, and to this day Mrs. Waters and I exchange Christmas messages.

January 28, we went to the residence of Consul General and Mrs. Fritzlan to attend a dinner for Italian Consul General Castellani. He arrived in Alexandria about the same time we did.

Besides St. Catherine's Cathedral, the Roman-Greek museum was my favorite visiting place. It has many historic remnants of Roman domination of Alexandria. Next to it is a mansion with an atelier used by a group of artists and writers. French films and lectures are also presented there. At one time, when European families lived in the mansion, there were many cultural get-togethers.

The city of the late 1960s was much different from the old days. There were a good number of cinemas in the downtown area, and some showed American-made films.

February 9, I attended a reception of the Consulate of the Kingdom of Libya, on the occasion of the fifteenth anniversary of their independence. It was a highly formal affair, set up in a special tent with buffet tables prepared with an opulence of food and fruit. Our friends, Vice Consul of West Germany and Mrs. Krohn, and Vice Consul of Switzerland, Mr. Meyers, were also there.

That same week I met the French Consul, Mr. Roux, at a party at the British official residence. Public Affairs Officer and Mrs. Otwell invited us to their home to meet a visiting professor from American University, in Washington, DC

Besides the social events, my visa workload was heavy. I spent many hours with visa interviews, passport applications, and courtesy visits from local businessmen, such as the director general of American Export Lines.

I also began to teach English at the US Information Center/Thomas Jefferson Library. There were about 750 Egyptian students registered there for English classes. I took care of two classes in the evening. It proved to be a worthy challenge. One of the benefits of teaching was the exchange of ideas with students following the classes. I was impressed by the zeal with which my Egyptian students pursued the course and wanted to master English and learn about American culture. Mrs. Ibrahim, an American married to an Egyptian national, was the Director of the English teaching program.

In early March, President Johnson appointed Richard H. Nolte to be our new envoy to the United Arab Republic (UAR), filling the post vacated by Ambassador Lucius Battle. His fluency in Arabic and background in the Middle East were key assets.

In March I received a weekend assignment to meet the *Queen Elizabeth*, which was to arrive near the port of Alexandria. Mrs. Stuart Louckheim, director of the Academy of Music in Philadelphia, would be on board. Following debarkation it was planned that the Louckheim party would proceed by train to Luxor. The giant passenger ship was too big to dock in the port so we had to board a small motor boat and go to sea to meet them. Our launch had 15 people on board. It was a very windy Saturday morning and we had difficulty getting near the liner. The closer we came to the ship, the more fierce the wind. When we finally arrived in front of the ship after 45 minutes of heavy turbulence, it became obvious to the boat's captain that we would have to return. We almost didn't make it back to port. When the *Queen Elizabeth* left for Lebanon that afternoon, it was a disappointment for many in Alexandria. It had been arranged to have the ship here for four days, with big parties on board.

Since there were many Americans in town, I helped a couple who were in a serious car accident at Marsa Matruh. I took care of police and insurance red tape. The day of the Queen Elizabeth ship debacle I had lunch with American tourists at the Philip Hotel. It was all part of a consul's life on a typical weekend in the foreign service.

On March 14, I spent another two days of consultations in Cairo with Administrative officer Chuck Skoda. Chuck and his wife were my hosts at their house in Maadi on the outskirts of Cairo. In the evening Chuck took me to the famous Sphinx and the pyramids. It was a breathtaking sight to see the pyramids lit up in the desert. He and I had close professional ties and were able to make some breakthroughs in administrative/security matters.

This time around I was able to spend a couple of hours in the archeological museum in Cairo. It is one of the world's best on Egyptian kings. Students come here to study the entire processing of Egyptian embalming.

March 21 was the beginning of the religious holiday in the Muslim world. It began the morning of the 21st, following the full moon, and ended on Friday. The Muslims celebrate the killing of a

lamb. This is a reference to Ibrahim who was ordered by God to kill his son, but at the moment he took his knife to obey, God told him to kill the lamb instead. This religious event happened near Mecca in Saudi Arabia, which is one of the holiest places in the Muslim world. Many Muslims travel to the mountains for Bairam to spend the night and to participate in the feast.

Consequently, I became interested in learning about the Islamic religion. I was told that the Koran has many references to Christ and Mary, and to Jesus' miracles. My Arabic teacher said that Islamic religion cements the Christian faith and is a continuation of the Christian religion in this part of the world.

During the week of Bairam we had a sand storm, which is usually a prelude to warmer weather. These climate changes reach their culmination on May 2, which is Shem El Nessim, the beginning of summer, labor day, and the flower show. Most people don't work that day. I went to the Antoniadis Gardens, where Mrs. Mann, an American of the Garden Club of New Jersey, had organized her own flower show. Our Consulate often lent a helping hand to visiting US groups, such as the day when a student brass band from the state of Georgia appeared. We later met them at a reception.

It was pleasant to drive on some of the small desert roads around Alexandria, replete with fields of flowers and vegetables. One such ride is to Agami Beach (40 km. from Alexandria and the Aboukir Seaport). The water there has a lovely blue and green color. The mild weather permitted us to relax on the beaches where there was always a soothing breeze.

During our first months in Alexandria we became friends with Norma Margossian's family and Dr. and Mrs. Gamez Hafez, who worked for the UAR Ministry of Works. On April 11 an Arabic New Year occasion, Dr. Hafez took us through two mosques: the Abo El Eablas and El Booseery. Before we entered the temples we had to remove our shoes. I was struck by the immense respect and devotion which reigned in these sites of worship.

In April, 1967, a military coup in Greece removed the Greek monarchs. These political events in Greece became of concern to us and in the Near East generally. Athens had been a reliable NATO partner and a convenient stopover for flights into Egypt. After a few unstable weeks the military Junta brought back some normalcy. Flights which had been suspended to and from Athens were back in operation.

Although I was performing all the duties of Vice Consul, my two commissions - one as Consular officer, signed by President Johnson and Secretary of State Rusk; and the other, as Vice Consul to Alexandria, UAR, arrived late. On May 16, 1967, I took the oath of office as Consular Officer. Consul General David Fritzlan officially presented both documents to me.

I experienced an increased visa issuance workload during May because of the World Fair in Montreal. Many Egyptians who visited the fair took advantage of stopping over in the United States.

I had one consular case involving an Egyptian, age 70 (a former seaman), who was receiving social security benefits. His benefits had been suspended because he had been deported from the

United States for family reasons and was declared ineligible thereafter. He came to my office to explain his hardship case in detail. I decided that I would submit proof to the Social Security office in Baltimore that he had resided ten years in the United States and was, therefore, eligible to receive his benefits outside of the United States. It took some time to prepare his case and to submit documentary proof of this. He only lacked one month residence in the United States to qualify. I felt I would give it my best efforts and recommended reinstatement of his social security. We were able to convince Baltimore of his bona fide eligibility for benefits prior to the deportation procedure. A cable reply stated that his benefits would be reinstated as long as he would be readmitted to the United States and reside there for one calendar month. This type of consular service is time-consuming but can affect public relations with the host country in a positive way.

Our friends, Dick and Anne Weitzel and their two sons, Bobby and David, came to Alexandria and stayed at the government guest house in Alexandria. We invited them over for drinks and dinner at the Union Restaurant in downtown Alexandria. We also had a routine visit from Mr. Snow, Regional Language Director. It was his job to visit Consular posts in the area and to evaluate the progress being made in our Arabic classes.

In mid-May unrest stirred the UAR. Israel and Syria had some military skirmishes from time to time, but the May 1967 military clashes were more aggressive. Radio and TV news commentaries spoke of a general alert and readiness of the UAR armed forces. We also learned that the US Sixth Fleet had been refused stops at UAR ports. President Nasser ordered some troops sent near the border of Syria.

It was not until May 22 that the UAR began to mobilize its military reserves, which was a step closer to conflict. Even on May 22, as we spent a few hours driving through the Public Gardens, we saw a convoy of trucks and military jeeps. I learned that youth groups were being organized to assist the civilian defense groups. We never sensed any hostility from the local population toward us, but the Egyptian press was very vocal in its anti-imperial campaigns, mainly directed against the United States and its European allies. The crisis further intensified when the UAR requested official withdrawal from the United Nation's Emergency Force. This was a political move that allowed the UAR to control military positions previously held by the U.N. The situation worsened by the hour. At the Consulate General we were told to transact business in a normal way. We felt, however, that our presence in Alexandria was now that of a hardship post. I continued to issue visas to Egyptian and third country nationals. For example, I issued a visa to an Egyptian doctor who had studied at the Public Health Department of the University of Pittsburgh. I also had to attend to a tragic car accident case involving Dr. Samir Naguib, an Egyptian medical doctor who was an assistant professor at Wayne State University, in Detroit. The 33-year-old doctor's car was struck by a hit and run driver, and he and his fiancée, who was secretary to the Lebanese Consul in Detroit, were killed. Dr. Naquib's father was in despair in my office. I was able to offer some comfort and facilitative consular services. I talked to Dr. Vorware of Wayne State, and he agreed to have the doctor's remains shipped back to Alexandria. This was an exceptional case, where I felt our consulate's assistance to Dr. Naquib's family in Alexandria was in the interest of US-Egyptian relations.

Because of the tense political situation in the UAR it became increasingly more difficult for

Egyptian nationals to obtain immigrant visas. In Alexandria we only issued tourist visas but offered guidance for those Egyptians who wanted to emigrate. Issuance of immigration visas took place at the Embassy. A priest of the local Syrian Catholic church also came to inquire about the status of our US immigration policies.

In late May, as tensions in the UAR intensified, we received Vice Consul and Mrs. Harold Otwell. He was the director of the United States Information Service (USIS) and the Jefferson Library. I remembered from my days in Panama, and the evacuation there, that we derived comfort and strength from bonding with American families.

The Consulate General had become the focal point of information for US citizens, many of whom were employees and dependents of Phillips Petroleum. They came to know what would happen in case of a widening conflict. I spent most of my time keeping up on the whereabouts and welfare of US citizens. I asked my very able consular assistant, Anna Papadimitriou, to update our US citizens emergency list in case we needed to contact them in an emergency or evacuation.

Most Americans living abroad registered at US Consulates. Some didn't. It was a monumental task to obtain data. Sometimes, tourist agencies, hotels, and the local police would offer help. Although the State Department had already issued a travel advisory notice warning Americans not to travel in the Middle East many American tourists passed through Cairo and Alexandria on Greek excursions. We had not yet been on official alert but we took every precautionary measure to protect American citizens. Many tourists were US professors and students who ignored government travel advisories. They took risks, and some were later stranded at hotels.

May 23, I received Mr. Corney in my office. He was the Administrative Officer of the World Health Organization (WHO), which is part of the U.N. From him I learned firsthand that U.N. Secretary General U Thant would arrive in Cairo in the afternoon for crisis talks with Egyptian leaders and US diplomats. We kept hoping that the U.N. would be able to diffuse this tense situation between Israel and Egypt.

Ambassador Nolte's first official act, May 26, was to order all dependents of US government employees in the UAR to leave for Athens. It was to be a temporary evacuation given the state of affairs in the Middle East. Maïté began packing immediately for herself and Rebecca. They left with the other dependents by train for Cairo the next day. It was a painful separation. We later learned that most Foreign service posts in the Middle East fell under this evacuation rule, and that an evacuation center was set up at the American Embassy in Athens. As employees we were told to continue essential Foreign Service jobs. It was a relief for us to learn that our families had arrived safely in Athens the following day.

As hours and days went by it became apparent that Egypt and other Arab countries were solidly behind President Nasser's stance against Israel. These countries had formed a tight block against Zionism. From my Egyptian friends and students I learned that Egypt resented the United States' pro-Israel stance and the lack of an Arab viewpoint in the US Congress. By June 1, we felt that, short of a U.N. mediation role, Egypt and Israel would go to war.

I continued teaching English in the evenings, and contact with my Egyptian students until the last minute. One of my students, Ibrahim, who worked for an insurance firm in Alexandria, came to look me up at the Consulate to find out how I was doing. Never, during this crisis, did I feel any overt antagonism on the part of the Egyptian people against our Consulate staff or toward me personally. The channels of friendship were kept open and the warmhearted feelings of the Egyptians toward us made us feel good during the days and nights of the June 1967 crisis.

On June 5, around 9 a.m., I first heard on the radio that military hostilities had broken out between Egypt and Israel. Later it would be known as the “Six Days War,” during which Israel captured the West Bank and East Jerusalem from Jordan, and the Golan Heights from Syria. That started the diplomatic exodus of US Foreign Service personnel from the Middle East.

It was a very busy day in the office. Security guards of the Consulate compound had been expanded. Egyptian authorities had also posted security at our private residences. In the morning I talked with many American citizens who had come to see us. I tried to calm their fears. It became obvious to me that our Consulate in Alexandria had become a trouble spot in the world.

That afternoon I went to the local Egyptian police office on a routine Consular matter. Officials there could not have been more courteous. There were constant air raids; the lights of our cars were painted in blue. At home I had to dim the lights at night. It reminded me of my childhood during the German occupation of Belgium during World War II. People in the streets, for the first time, showed signs of nervousness. They were rushing back and forth to local markets to buy supplies.

As I left the Consulate late in the afternoon I saw ugly, painted signs on the facade of the consulate gate walls: “Israel Dead” and “UAR Victory.” On the evening news I learned that the war between Egypt and Israel had officially started. Although the UAR had suspended diplomatic relations with the United States, consular relations would be maintained. This was a similar scenario as in Panama. The Embassy of Spain in Cairo had accepted the role of protecting power, taking care of American interests. In a few days, other Arab nations would follow suit and sever diplomatic relations with us. That night I slept very little as the air raids and passing police cars kept me awake.

DOUGLAS WATSON
Consular Officer
Cairo (1967)

Mr. Watson was born and raised in the Washington, D.C. area and was educated at California State University at Los Angeles and Harvard University. Entering the Foreign Service in 1966, he served in a variety of posts throughout the world, including Cairo, Athens, Madrid, Saigon, Quito, Islamabad and Port au-Prince, Haiti, where he was Deputy Chief of Mission. He also served in the State Department in Washington, on Capitol Hill in the Pearson program and was a member of the US delegation to the United Nations General Assembly in 1991.

Mr. Watson was interviewed by Thomas J. Dunnigan in 2000.

Q: Doug, did you get any other training besides your basic training? Did they give you any area or language training before you went to Cairo?

WATSON: Yes. I had asked for assignment either to Mexico (my first choice), Bolivia (my second choice) or Spain. I was instead assigned to Cairo, which gave me and my wife some pause. As a matter of fact, the gentleman who was my counselor in the Junior Officer Division, Fred Day, the Friday before I was to have gone into French language training for Cairo (since they wouldn't assign you Arabic training unless you were a "demonstrated" language learner), called me and said they would instead like me to go to the Arabic language school in Beirut, and to study Arabic for two years, which gave us even more pause. That wasn't really down my alley; I had had Spanish and Latin America in mind. We had resigned ourselves to go to Cairo, and first to study French. So I said to Fred, who was a wonderful fellow, something along the lines of "No, I won't do that. It doesn't make any sense." He said, "Well, your language aptitude is very high," which it happened to have been for that famous test, the MLAT (Modern Language Aptitude Test), where I had simply had a good morning and scored high on the test.

So, off, indeed, we went to French language training, 16 weeks of it. Unlike most language learners, at training's end I scored higher on the verbal than I did on the reading and translation portion of the examination. At the end of those 16 weeks, with a 78 MLAT on the scale of 80, I earned a three in speaking, but only a two-plus in reading. Consequently, I would have to continue French language training in Cairo.

We had quite an arrival in Cairo, a city and country I really hadn't been quite prepared for. I felt when we debarked at the airport that I was indeed in a foreign country. It was a marvelous first overseas experience. Driving in from the airport, night just having fallen, with the embassy driver and our welcomer, FSO Jim Robb, whom I remember well and favorably, describing the sights and scenes of Cairo, amidst crazy, careening, honking traffic. We stayed at the Hilton Hotel for two nights on El Tahrir Square, not far from the Semiramis Hotel and not far at all from the embassy, then located in the Garden City section of Cairo.

Q: This must have been in late 1966 or early 1967.

WATSON: We arrived in March of 1967. My tour lasted just 12 weeks to the day. We evacuated mission families owing to the Six Day War at about ten weeks after our arrival. Many of us stayed on another two weeks, a core staff, including relatively junior officers.

Q: What did they have you doing when you arrived?

WATSON: I went right into the Consular Section and was taken in hand by the Foreign Service national staff, which then numbered only four, and whom I thought were very good. Of course, they would appear so to such a novice. They knew so much more than I did and would help me avoid egregious errors, and would correct my mistakes. As things over the weeks fell apart in Cairo, consular activity increased. I was tasked to do a number of additional chores having to do with burning classified materials along with the Marines, and helping out in various locations

throughout the city, traveling with a young Egyptian Army captain helping to find American citizens, to inform them, and to help them gather at one or two central locations so that when we departed Cairo on the night train to Alexandria, they would be as well prepared as possible.

Q: Your departure was before the war started?

WATSON: Oh, no, we were well into the war. Israeli air strikes were being made at the Heliopolis Airport and elsewhere. Israeli Mirages, if I remember correctly, were buzzing the city. A number of us got together in the apartment where I and my family had been temporarily located, eating everything we possibly could from our various homes, because we saw the departure imminently coming. There were a number of Foreign Service Officers there at that time who later went on to have successful careers, some Arabists in the group, and Arabic language speakers, of course, who would inform me that the news on Egyptian radio was not at all accurate regarding the number of Israeli planes which had been destroyed, and other matters. As the people took to the streets with chants of "Nasser," we all were concerned. But on balance we were well enough protected by the Egyptian Government.

Q: Do you think there was anti-U.S. feeling there at the time? Of course, we were known to be friendly to Israel.

WATSON: From my distant remove, as a new Officer in the Consular Section (actually, the third Officer, as there were only three Americans in the section), yes, I had the impression that there was hostility. Of course, Foreign Service nationals never evinced that because they were a part of the U.S. mission, the team, the shared effort, if you will. I did have a chance during that brief tour to make a couple of classified pouch runs up the Nile by train to Alexandria. That the Department evacuated family members about two weeks prior to the outbreak of hostilities was a wise decision. The families were well seen after in Athens, to which we were all eventually evacuated from Cairo. If there was a flaw in the family evacuations it was simply that we were not able to be in touch from Cairo personally with our families in Athens during that two week separation. But when you measure that against the possible situation had they stayed, their evacuation was really very positive and well managed.

Q: An off the point question: did we have a consulate in Alexandria at the time or had we closed it?

WATSON: Yes, we had a Consulate General in Alexandria and we had a Consulate in Port Said. One of the things that I did early the day prior to our evacuation, was to take a photograph of our embassy building with the seal of the United States over the front portico with the Spanish flag raised over the embassy, as the Government of Spain was protecting our interests. I took another photograph as we loaded the baggage up the ramps and gangplanks of the Greek ship on which we departed. Both photos appeared in the State Department magazine. The U.S. government had chartered a Greek vessel to transport us from Alexandria to Piraeus, Greece, the port for Athens.

Q: I wanted to ask you whether the U.S. Navy played any part in this.

WATSON: None of which I was then aware, although my understanding is that they offered

some protection at least near the port as the Greek ship arrived and departed with us aboard. There were also at least a couple of Soviet ships in the Alexandria harbor at the same time we were leaving. The Egyptian train authorities had cautioned us to draw our window curtains as we came into Alexandria on the train. As we slowly rolled into the Alexandria train station, and opened the shades that early morning, maybe 6:00 A.M., there were many Egyptians shouting and waving their arms as we rolled in. They did not appear happy. I remember a number of protesters with their shoes on their hands, above their heads, the shoe soles facing us.

Q: It was an unfriendly group.

WATSON: It was an unfriendly group. As we boarded the ship, a number of the Egyptian port personnel, some in military uniform, were very gruff with private U.S. civilians. One Egyptian port official was being very rude to a woman, a private American citizen, regarding her baggage and her papers. I was able to assist exercising some presence and authority, and persuaded the Egyptian official to treat her more reasonably and expeditiously.

Let me go back just very briefly to the French language. I tried to study French during the roughly 12 weeks that I was in Cairo, but the situation was absurd. I had no use for French whatsoever during my time there. Arabic would have been helpful, but I could speak only a few words. I missed a number of French lessons, not because I choose not to attend classes, but because there was consular work to be done. During this time, my first consular case of significance had to do with inventorying and disposing of all the effects of an American Foreign Service employee who had very recently died at post. By the time I had arrived, the remains had been returned to the United States, but I had to inventory the effects. That was an eye opener as to what consular work could include. Also, visiting an American prisoner in an Egyptian jail was another eye opener as well. An Egyptian jail was not a good place to be, certainly not for long.

Q: Not all the modern conveniences.

WATSON: Yes, that's correct.

As a family we did have a chance to do some touring around the immediate Cairo area during those first weeks. We got down to "old Cairo" and visited a Coptic church. We visited the "City of the Dead" and the archeological museum. We visited Maadi, where my older daughter briefly attended school, the Cairo American College. My wife became quite ill while in Cairo from intestinal problems, which were not all that unusual.

I walked across the Nile river daily to work at the embassy. We had been installed in Dokki, a suburb just across the Nile from the embassy location in the Garden City section of Cairo. There were Egyptians in gun emplacements on the bridge and I would be challenged as I passed across each morning. But we were very fortunate - our personal vehicle finally had arrived, and we had driven to a few spots. We had all of our shipment of boxes unpacked except one. We had a few things on the walls. When the family, and later I, were evacuated to Athens, lo and behold, our car came and nearly all our effects as well. Very few items were missing. So, we were really quite fortunate.

Q: Did you leave on that last day or were there still Americans there when you left?

WATSON: No, we all left on that day. There may have been other Americans who remained in country, private American citizens of whom I would not have been aware.

Q: But the official Americans.

WATSON: Oh, yes, we all left, except for one FSO working in liaison with the Egyptian authorities, and with the Spanish Embassy there, the Government of Spain protecting U.S. interests.

Q: But he would have been under the Spanish flag then.

WATSON: Yes, I suppose he would have been under the Spanish flag, but still credentialed as a U.S. Government official, however that might work. The voyage on a leased Greek vessel across the Mediterranean was very interesting. We gathered around the shortwave radios, and I was able to mingle with the DCM, and the chiefs of this and that section. That was substantial exposure for me. In sum the entire evacuation was an excellent learning experience for me and for our family.

I also found that there were those employees who responded to that crisis very well. Then there were others who just stayed hunkered down at home and out of the way, perhaps not as able to cope as others.

Q: Well, then you arrived in Athens as an evacuee. How were you received there and how were you treated?

WATSON: We were received very well. The ambassador to Athens at that time was Phillips Talbot. He met the ship as we docked in Piraeus. When I realized that the American ambassador was there to meet us, it just seemed very normal to me. How could he possibly not meet us? We had been through quite a trying situation. Along with our family members, we were ensconced in a hotel in an area north of Athens called Kifissia. We were well cared for by the embassy, which was of course understaffed for that kind of an evacuation; they were accommodating as well personnel, other evacuees, from U.S. embassies in the area.

I was put to work right away in the Embassy's Consular Section assisting with evacuees, both private and official Americans.

Q: Did you or any of the other evacuees expect to return to Cairo?

WATSON: I certainly did, but I didn't think about it. I was so dispensable compared with others who had a deeper investment, more value, there. So, when I was asked by Jean Farr, the then personnel officer at the Athens embassy, what my assignment elsewhere were, Athens or elsewhere, not much understanding how the personnel system worked back in Washington, I said, "I'd like to go to Mexico, Bolivia or Spain." August (Gus) Velletri, who was the Labor attaché in Athens, took me aside and said, "Son, here you are in Athens. How many chances do

you think you'll have during your checkered career to go to a place like Athens? If I were you and they offered me the option to stay here, I'd grab it." Taking his counsel, I told Jean Farr we would be happy to stay. So, they decided that what they would do is keep me there in the Consular Section for about six months, which along with the three months in Cairo would total my first nine months, and then for the latter nine months I would rotate to the Political Section. And indeed that is what happened. At the end of the Athens tour, I returned to Washington for some further training and an onward assignment. The Athens tour was a very good one. I had a chance to work with Peter (Pete) G. Peterson, who was the Consul General, a wonderful guy. He spoke Greek like a native, being of Greek ethnicity. I also worked for Lois Day, an excellent supervisor – fair and helpful, who headed up the NIV section, and then for Bartlett Wells in the IV section. I worked with some phenomenal Foreign Service National personnel. The atmosphere in Greece was so friendly compared with what we had found during our brief stint in Cairo.

On the downside, I remember one American consular officer who had been in consular work for years. While I was with the IV section, this officer once came into my office fanning the air after a Greek family of modest means (from the Peloponnesus, in the south of Greece) had left my office after the full interview process. They had perhaps not been as "fragrant" as this officer would have liked, but the officer came in waving papers as if fanning the odor from the room, and then came back in with a can of air spray and made some disparaging remarks about that class of people. A rude awakening for me. Foreign Service folks were just another slice of America.

I then had a chance to work in the Political Section. That was when King Constantine attempted a counter coup against the Greek military government.

DONALD C. BERGUS
Head of U.S. Interests Section, Spanish Embassy
Cairo (1967-1972)

Donald C. Bergus was born in Indiana in 1920. He graduated from the University of Chicago with an A.B. degree in 1942 and went directly into the Foreign Service. His career included posts in Lebanon, Saudi Arabia, Iraq, France, the United Arab Republic, Turkey, and Sudan. He was interviewed by Lillian Mullen in 1991.

BERGUS: It was in the summer of 1967 after the Israeli invasion, sometimes called the "June War." The Egyptians broke relations with the United States claiming falsely that we had intervened militarily on Israel's side to justify, of course, in front of their own people the tremendous defeat they had suffered at the hand of the Israelis. After the U.S. and Egypt agreed to open Interest Sections in each others' capitals, I volunteered to go back to Egypt and head the Interest Section there. I got back to Cairo in late July or early August of 1967. It was a fascinating time to be there, tourism which is one of Egypt's most thriving and conspicuous industries did not exist. Hotels were empty and you could sense the feeling of defeat hanging in

the air. The foreign community had by and large left, and in those first summer months we witnessed the slow restoration, the U.S. presence such as TWA and re-opening of the American University. The dialogue which had never really ceased after the rupture, went on and we continued to have day to day discussions with the Egyptians there.

Q: And you were heading the American Interest Section?

BERGUS: Yes, the office was technically part of the Spanish Embassy.

Q: How many officers or staff did you have?

BERGUS: We started with about eight and over the years it grew to almost twenty. President Johnson gave me the rank of Minister -- Minister Plenipotentiary at the Embassy of Spain is the way it looked on the records. I stayed there until early 1972.

Q: In 1968 I didn't find much action, at least reported I think Scranton made several...

BERGUS: Scranton made a trip. Actually during most of 1968, the focus was on the UN. In November 1967, they finally agreed on a Resolution, #242, which among other things created a UN mediator. A Swedish diplomat, Gunnar Jarring, was given that job and he worked throughout 1968 to try to get a peace process going. It didn't work out due to circumstances in the area and in part due to Jarring's lack of prowess. He was super careful, stodgy, unimaginative, and never made any progress. The Israelis insisted that there had to be territorial changes so that Israel would never again be put into the precarious position it was during the 1967 crisis. The Israelis wanted a peace agreement signed openly by all the parties. None of the Arabs wanted to do that, they were prepared to follow a UN arrangement but not to make an agreement with Israel. In 1968 there was a lot of activity, to-ing and fro-ing.

Q: And all this time the Soviet Union was backing Nasser --

BERGUS: Yes, though the Soviet-Egyptian relationship was far from a comfortable one. The Soviets thought it was in their best interest. They had broken relations with Israel at the outset of the 1967 War and were involved in providing military supplies to both Syria and Egypt.

Q: Military Advisers? -- they ended up having a Garrison there?

BERGUS: Yes, and generally every time a new piece of equipment was sent to Egypt, they (USSR) would send teams of specialists to train them so there were plenty of them around. They kept pretty much to themselves; they had their own schools for their children and at a certain age they were sent back to the Soviet Union. They didn't have much money to spend so there were an awful lot of them there but they didn't stick out like a sore thumb.

Q: Did you have opportunities to speak with Nasser?

BERGUS: Yes, my first meeting with Nasser came in January of 1968. We had been discussing through the fall of 1967-68 the possibility of restoring diplomatic relations. We had come pretty

close at one point. One thing we insisted upon was that the Egyptians withdraw the accusation that we had acted on behalf of the Israelis militarily during the war; and Nasser came close to doing that. But still my January meeting was not particularly anything to write home about. Nasser was still very suspicious of the US. He had no personal confidence in President Johnson. He was positive about certain points -- he thought the American University of Cairo was doing a very good job, and of course, the American oil companies were producing oil giving him not only oil but foreign exchange. On the general U.S.-Egyptian relationship, he was negative. But during January and February of 1968 he came close to restoring diplomatic relations. Just as it looked like things were going to go through, a totally different event, that is, a number of the senior officers of the Air Force were being put on trial. They had been court-martialed for their carelessness in allowing the Air Force to be destroyed on the ground in the first hours of the 1967 War. They were convicted but given very light sentences. This created a very, very bitter reaction on the part of the Egyptian people. The war had brought hardship and deaths in their families. There were riots in the streets particularly at Cairo University. This forced Nasser to reshape the internal political scene and have elections to reshape the government from the bottom to the top. Also, he let it be known that he would not restore relationship with the United States. Full relations were not restored until the spring of 1974 and so you had a seven year hiatus.

Q: Where was the American Interest Section located during this long hiatus?

BERGUS: It was situated on the grounds of the former American Embassy. The Embassy looked a little bit like an American college campus -- we had taken the better part of a city block and so you had the flagship building which had housed the Ambassador and the political section, and you had the economic section and cultural affairs and the Admin wing. We had closed all these buildings and moved everybody into a former hotel on the grounds which we acquired. We had offices there and apartments.

Q: Was the State Department/White House coming up with plans in addition to the UN efforts?

BERGUS: Yes, in addition to trying to support the UN, we put forth a number of ideas to encourage both sides to be more forthcoming but not a great deal of movement took place.

Q: In 1969 then, this scenario continued?

BERGUS: More or less, when Mr. Nixon got elected in 1970. We had a visit from Scranton who had a talk with Nasser, and we had a number of semi-high ranking emissaries coming to Egypt during this period: John McCloy of the Chase Bank, David Rockefeller and Robert Anderson. A lot of senior non-official Americans came and saw Nasser and he always had very warm talks with them but nothing was gained. I think the point was that Nasser's main problems were being dealt with. He was getting an annual subsidy from the oil-rich states, that is Kuwait, Saudi Arabia and Libya, which covered his losses from the Suez tolls so there was no great incentive for him to take any further steps. Then in late 1969 Nasser's military began to get nervous. They resented the presence of the Israelis looking at them from across the canal and they wanted to do something about it and that saw the beginning of the war of attrition, the Egyptians would lob a few shells and the Israelis would respond and the war began to get more and more bitter and the

Israelis finally escalated it by aerial attacks on UAR economic targets. The Egyptians in spite of all the arms they had gotten from the Soviets were powerless to cope with this, so Nasser demanded and got Soviet Ground-to-Air missiles and planes with Russian pilots so he could redress the imbalance. This affair was getting very ugly, both we and the Soviets were getting nervous about it, we didn't want to go to war with each other over things happening on the Suez Canal. As a result we took a new initiative in the spring of 1970 which was to involve a Cease-Fire on both sides with the proviso that neither side was to improve his position during the Cease-Fire, and to resume talks through the UN. We made this proposal in June to the Egyptians. To the great surprise of everybody, Nasser agreed...

Q: Do you think Nasser was tired at this time?

BERGUS: I think that he realized he wasn't getting anywhere and saw a chance to change the situation.

Q: By this time he had placed Sadat as Vice President.

BERGUS: Yes, that was more or less a fluke. In late 1969 he had to fly to Rabat for an Arab Summit. At one time he had had 4 or 5 V.P.s including Sadat. But by late 1969 Sadat had become Speaker of the House, and the other Vice President had died or resigned. It was pointed out to Nasser as he left for Rabat that he had no successor, so more or less as an afterthought Sadat was sworn in as the one remaining Vice President.

Q: Did you know him?

BERGUS: Before he assumed the Presidency I had just barely met him, anyway in the summer of 1970 a pretty active summer, we were about to do the Cease Fire which stayed in effect until the summer of 1973. But the other parts of it such as the military standstill never really did work. The Egyptians had missiles which they would move around and the Israelis would protest this. Then in the fall of 1970 Nasser died.

Q: The 28th of September?

BERGUS: Yes

Q: Did you realize that he was ill?

BERGUS: Not from any overt source, from intelligence sources which mentioned that he was ill and couldn't handle steps and that an elevator had been installed in the Residence. It was known that he was generally ill, he had diabetes and complications from it and pain in his legs. He had gone to the Soviet Union that summer for treatment but nobody knew that he was as ill as he was. Of course, in September he was put through an awful lot of stress because that was when developments in Jordan broke out -- when the Palestinians in Jordan almost overthrew the Monarchy in Jordan; and Nasser didn't want to be anti-Palestinian but he also felt he owed a debt to King Hussein. And they did solve it by calling the Summit Conference in Cairo and he had a very hectic three or four days and had patched together some kind of agreement; and it was at the

end of the Summit Conference when he was personally saying good-bye to the various heads of state and was at the airport and had just seen off the Ruler of Kuwait when he was stricken with the heart attack and died a few hours later.

Q: We sent quite a number of people to the funeral?

BERGUS: Yes distinguished people considering we didn't even have diplomatic relations.

Q: Yes, wasn't it surprising?

BERGUS: Elliot Richardson, Donald Rumsfeld, Robert D. Murphy, John J. McCloy.

Q: And also by this time Mike Sterner was on the Egypt Desk?

BERGUS: Yes, Mike Sterner was on the Egypt Desk and he came.

Q: And he then played quite a role, according to the Press? And at about that time your name starts popping up more often in the press?

BERGUS: He said he wanted peace and wanted to continue our conversations and so that was sort of the beginning.

Q: Did he seem friendlier with our Delegation than Nasser, or less suspicious?

BERGUS: We were amazed because, frankly, he was not too highly regarded before he became the President. He was a bit of a buffoon, a bit of a clown, and he used to do Nasser's dirty work for him during the time -- 1969 -- he used to go around making speeches accusing the U.S. of being behind Israel. He wasn't taken very seriously but he was very personable and he later intimated that perhaps it was not just by chance that he was made vice president and then Nasser's successor. There may have been a higher hand in this.

On the day before Christmas 1970, I was sitting in my office and I got word that President Sadat wanted to see me at his very nice house on the Nile barrages. This call came out of the blue, I didn't expect anything to happen over Christmas and I had a very loud necktie on which I didn't think was appropriate so I dashed home and changed my necktie and went out to see him. That conversation was the beginning of a series of exchanges of views over the next year which I relished very much. He was very relaxed and he called me by my first name which -- and he said he really wanted peace and he thought -- we could put all this other stuff behind us. He was convinced that we gave so much aid to Israel, down to the last loaf of bread, that he was convinced that the only way to get Israel out of his territory was to enlist the aid of the United States to help him. And that was a change, his predecessor Nasser and also the Foreign Minister thought that by enlisting the aid of the Soviet Union and also enlisting support from some of the NATO allies, this somehow would pressure us to pressure Israel. But this didn't work and Sadat was the first one to want to break that log jam and get directly involved in a dialogue with the United States. So it was a bit of a break to have these conversations continue until I left Egypt in January of 1972.

CHARLES E. MARTHINSEN
Economic / Commercial Officer, Spanish Embassy Interests Section
Cairo (1968-1969)

Office Director of Egyptian Affairs
Washington, DC (1977-1980)

Ambassador Charles E. Marthinsen was in Jersey City, New Jersey on May 18, 1931. He received his BA from Gannon College in 1953 and served in the US Army from 1953 to 1955 before joining the Foreign Service in 1956. His career has included positions in East Pakistan, Lebanon, Saudi Arabia, Syria, Canada, Egypt, Libya, and Qatar. He was interviewed on July 18, 2003 by Charles Stuart Kennedy.

Q: Today is December 3, 2003. You're off to Cairo in '68. You were there until when?

MARTHINSEN: '69.

Q: Could you talk about how our interests section worked at the time? Who was there? What were the issues?

MARTHINSEN: There were no serious issues apart from the issue of peace in the Middle East. Contacts were relatively limited. I worked closely with several Egyptians, mostly with Under Secretary for Economic Affairs, Hamed El Sayegh. Don Bergus, the head of the interests section, had contacts with several members of the RCC.

Q: What was the RCC?

MARTHINSEN: The Revolutionary Command Council. I think the council may still today be a formal part of the Egyptian governmental structure.

We were nominally part of the Spanish Embassy but we functioned as a miniature embassy. The Spaniards were ideal protectors.

Q: How big were you?

MARTHINSEN: We were about 6 or 7 officers plus communications and secretarial staff. Don Bergus was the head of the interests section. Bill Brownell comprised the political section. George Walsh was the consular section. Gordon Brown was my number two in the economic/commercial section.

Q: What was your job?

MARTHINSEN: Economic/Commercial affairs.

Q: Were we doing much commercially with Egypt?

MARTHINSEN: No. Cairo didn't have any money to buy anything and thus there was no great effort to sell. There were a few importers of things like Kent cigarettes who were doing a good business. But the rest of whatever business was going on was taken care of without any intervention, involvement, or knowledge of the USINT.

Q: What did we do economically?

MARTHINSEN: That kind of limited business that was going on. American firms had been supplying Egypt for many years; there were established relationships and representation. Economically we kept track of Soviet aid programs and monitored Cairo-Moscow ties.

Q: Did the Egyptians or the United States interfere with these normal transactions?

MARTHINSEN: No, not that I can recall. Phillips Petroleum was actively exploring for oil in the western desert, USINT, but we didn't get involved at all.

Q: Did the US have any sort of residual investments or government to government type things that we were concerned about?

MARTHINSEN: Apart from ideal currency-financed projects, not that I can remember.

Q: How did you find generally being in Egypt at that time? Was there much animosity towards the US?

MARTHINSEN: No. I never encountered any instance or heard of any instance of animosity. As is true throughout the Middle East, most Egyptians hold positive views of the United States, though not of U.S. foreign policy.

Q: There had been the story that American planes had launched the attack that wiped out the Egyptian air force in the '67 war. Was that still around?

MARTHINSEN: That was generally accepted as true by most Egyptians and more than a few non-Egyptians. After all, most of the arms that the Israelis possessed and possess today were U.S.-manufactured.

Q: Actually, at that time, '67, most of the air force was French. It wasn't until after the '67 war that the great American influx of arms came. Was the government contact kind of shut out to you all?

MARTHINSEN: Yes. The planes were French as were some Naval craft, armor and artillery, I believe, were from the United States.

Q: In a way, did you feel you were in a holding action there?

MARTHINSEN: Yes, that's a good way to put it. We were hoping for full restoration of relations between the two countries.

Q: How about some of the police authorities? Were they following you and giving you a rough time?

MARTHINSEN: It was not at all as intensive a surveillance as occurred in Syria. No, I was never aware of being followed, neither I nor any of my colleagues was ever harassed by local authorities.

Q: What were you observing about the role of the Soviets there?

MARTHINSEN: The Soviets were cocks of the walk, at least on the governmental level. I don't think the Soviets made a big hit with Egyptian shopkeepers and students.

Q: They probably didn't have the money.

MARTHINSEN: Yes.

Q: Were we concerned that the Soviets were dominating Egypt at that time?

MARTHINSEN: Yes, that was a common impression. Washington was very nervous about the USSR's influence. We were busily competing with the Soviets at that time.

Q: Nasser was the president at that time. What was our feeling towards him?

MARTHINSEN: He was not at all fond of our favored protégé in the Middle East. And because any "enemy" of the Israelis would be someone on whom we would confer the title "hostile," we could restrain our enthusiasm for Nasser. But in daily life in USINT and as temporary inhabitants of Cairo, we were not aware of any anti-Nasserism.

Q: How about with the reports going in? Did the Near East Bureau weigh in? Were they making demands? Or was there no great pressure put on you to do this or that?

MARTHINSEN: The latter was the case. All realized that we had to wait until other developments occurred that would permit a more extensive relationship.

Q: Were there any developments that were particularly noteworthy?

MARTHINSEN: No, not that I can remember.

Q: There's nothing nicer than a nice quiet time. In '69, whither?

Q: And then where did you go? We're moving on to '77.

MARTHINSEN: I went back to NEA as country director for Egyptian affairs.

Q: This would be '77. That must have been an interesting time. That was when things were beginning to break loose with Sadat going to Israel and Camp David.

MARTHINSEN: Yes, they were exciting days.

Q: You were doing that until when?

MARTHINSEN: '80. It was an exciting time. Of course, whenever major events, such as Sadat's initiative occur, business quickly escalates up to the assistant secretarial level and even secretarial level. So, I was backstopping President Carter's efforts to seek peace in the Middle East.

Q: Roy Atherton was assistant secretary.

MARTHINSEN: That's right.

Q: When you arrived there, how were we initially evaluating Anwar Sadat?

MARTHINSEN: It's hard to separate jokes about and by Egyptians from the reality. The assessment was that he was no Gamal Abdel Nasser. Certainly he was more of a realist than Nasser had been. He certainly proved his mettle in the power struggle with Ali Sabri in Cairo. He established himself as the president and stayed in that position until he was murdered by the Muslim loonies. Anyone who knew him or the people around him had to be favorably impressed. He was more pragmatic and less doctrinaire than Gamal had been and certainly he opened the door to peace.

Q: During this time with Sadat going to Jerusalem, was this exciting?

MARTHINSEN: Oh, very much so. There was a distinct possibility that there would be action. People were talking about solving a problem that had been around for 50 years. My entire life had been spent in a field that was dominated by the Arab-Israeli dispute. Anyone who had served in the area and knew something of the countries involved dreamt an end to the killing and bombing and propaganda could occur. We hoped that a mite of justice for the Palestinians could be found. Yes, it was a very exciting time.

Q: Did you get involved in the Camp David process?

MARTHINSEN: I didn't go to Camp David. That was at the assistant secretary and deputy assistant secretary level and the level of the Secretary himself and the White House. No, they didn't have room for me at the inn.

Q: But were you involved in...

MARTHINSEN: Backstopping, carrying position papers, evaluating proposed courses of action. But the negotiations were all handled by the principals. Of course, everything was top secret.

Q: How did you feel about the outcome of Camp David?

MARTHINSEN: We thought that a great weight had been raised from our shoulders, though that proved to be more a hope than a fact. God knows Egypt needed relief from the burdens of war and preparation for war that had dominated Egyptian society for so many years. And they had so much more to do. There were too many Egyptians. The Nile Valley was awash with people, as it is today. They had been preoccupied with the Israel struggle and by inter-Arab rivalries and alliances and movements towards unity and, inescapably, facts of disunity. We hoped that that was the beginning of better times.

Q: Towards the end, about 1980, did you see it still in a very positive sense?

MARTHINSEN: So far as Egypt was concerned, yes. I think that the phased stage by stage withdrawal of occupying forces from Sinai and the restoration of Egyptian sovereignty served to demilitarized Sinai; that provided the basis for a real relationship between Egypt and Israel. Who knows how that will work out. This is one international agreement that has to be extended to include all of the parties before you can say, "now the situation is under control." As we have seen, the dispute affects countries far afield, in the Arab Peninsula states, to Iraq, to northern Africa, etc. Indeed not only the Arab world, but the Muslim world is involved, as in Afghanistan, Pakistan, and Indonesia.

MARSHALL W. WILEY
Deputy Principal Officer
Cairo (1969-1973)

Marshall W. Wiley was born in Illinois in 1925. He attended the University of Chicago, where he received a Ph.D. in 1943, a J.D. in 1948, and an M.B.A. in 1949. Mr. Wiley was a lieutenant in the U.S. Navy from 1943 to 1945. He joined the State Department in 1958 and his career included posts in Yemen, Lebanon, Jordan, Egypt, Iraq, Saudi Arabia, and Oman. He was interviewed by Charles Stuart Kennedy in 1989.

Q: We're talking about 1969. You were assigned as deputy chief of mission in Cairo.

WILEY: Actually, at that stage it was deputy principal officer, we didn't have an embassy then.

Q: Could you explain what the situation was when you went there, what our interests were, what so-called embassy or intersection was there?

WILEY: At this point, we had quite a small staff in the intersection, compared to the rather huge embassy we had there in '67.

Q: We're talking about a place where, technically, we did not have diplomatic relations.

WILEY: That's right. We broke relations at the time of the '67 War. A few months afterwards, we started feelers with the Egyptians as to whether or not they would be interested in setting up an intersection between the two sides.

I got there in '69. The intersection had been going for some months prior to that. Don Burgess was my immediate boss in those days. He was the head of the intersection, and I moved in as the number two man. The main purpose was to try to repair the ruptured relations that had taken place in '67, and to get us back onto a more solid relationship with Egypt, which continues to be a key country, of course, in the Middle East. We had stopped our major aid program, for instance, when they broke relations. We still had these large quantities of Egyptian pounds in Egyptian banks, that were sort of frozen because we didn't have any uses to put them to after our relations were broken.

The Russians, of course, had come in and had established a major influence, both with the army and the political side, supplying military equipment to the Egyptian armed forces. They were giving substantial economic aid to the Egyptians in the period from '67 until we later resumed our diplomatic relations with Egypt. Then, of course, there was the Arab-Israel equation, which Egypt was then a major player in that situation. So that our interests in Egypt were largely, at that stage, concerned with Israel because of our interest in Israel. I mean Egypt was one of the principal military threats, of course, to Israel, and the possible source of explosion which, of course, did come about in '73. We were worried that war would break out again, which it finally did in '73, of course.

Q: Was the war of attrition on at that time?

WILEY: Yes, that was, while I was there. Right.

Q: I mean, after all Egypt is a much larger, and potentially more important country than Israel.

WILEY: Not politically.

Q: Not politically, but your work there was really focused on the problem of Israel more than Egypt per se.

WILEY: I think its safe to say, that from the point of view of U.S. policy, that was our major concern, right.

Q: What about the Soviet influence there? Were we just passive by-standers?

WILEY: There wasn't too much we could do about it. We didn't even have formal diplomatic relations ourselves with the Egyptians at that point. We didn't like it, of course. We were happy

when the Soviets were finally kicked out by the Egyptians, which is largely due to their own mismanagement of the relationships, rather than to anything that we did, and to Sadat's feeling that he had to swing the country's policy back more into a Western orientation from the position that Nasser had left it in when he died. It was largely under Nasser's influence.

Q: Nasser died in --

WILEY: It was when I was there. I think it was about 1970.

Q: Yes, I think it was about that time. He died in August 1970.

WILEY: And Sadat, I think, did not like the Russian presence. The Russian military was not very popular with the Egyptian military. They were pretty heavy-handed in the way they did things and joked about the Egyptians in so many ways that antagonized the Egyptians.

Q: At that time you were reporting back that the Soviet penetration of the Egyptian military was basically minimal, did we feel it at that time or not?

WILEY: It was important, militarily speaking, to the Egyptians. After all, we weren't giving them any arms. They were the main support of their weapons. And, of course, the Israeli lobby was very worried about the Russian presence in Egypt. It could be used against Israel. In the general cold war climate that still persisted, we were always worried about any Soviet increased influence, particularly, in fairly strategic places, like Egypt was.

Q: There were naval bases there, too.

WILEY: Yes, and the Russian navy was using bases, particularly in Alexandria at that time.

Q: How did you talk to the Egyptians? You didn't have diplomatic relations. How did you operate?

WILEY: We had channels set up, including one to the foreign minister who was an Egyptian named Mahmoud Riad, who was somewhat shorter in stature than his boss, so we used to call him "Little Mo", as opposed to "Big Mo", the foreign minister. [Laughter] But Mahmoud Riad was a very sophisticated Egyptian, who spent a lot of time in the U.N., loved the city of New York, loved the U.N. He was sort of our designated interlocutor. But he sat right in the foreign minister's office, so we did have access through him at a pretty high level to the foreign minister. But if we had a demarche to make, it was to Mohammed that we'd make it. He would take it in to the foreign minister.

Don Burgess occasionally did see the foreign minister, and even saw Nasser, himself, from time to time. Although the every day contact was at lower levels. Then I, as the number two, handled most of the economic matters, and I had a designated contact, who was the number-two-man in the ministry of economy. Whenever I had to discuss something of an economic nature, I took it up with him. These two men, plus one man in the Presidency, were the three points of contact that were designated for us to have, and these were all pretty high-level people.

Q: So the relationship, actually, was not overly hurt?

WILEY: No, it was much more constrained when I went to Iraq in the intersection. There, contacts were kept at a much lower level, than we had had in Egypt. In Egypt, we had pretty high level contacts.

Q: Before, we turn to Iraq, I would like to ask about what did you do, and what did we all do, during the '73 war there?

WILEY: I left there just before the '73 war, so I was not on the ground. I was there at the time of the war of attrition, that went on for some time. This was because Nasser had ordered his troops to do a certain amount of firing across the canal, just to let the world know that they didn't acquiesce in a permanent occupation of the Sinai by the Israelis. The Israelis responded in kind, and shooting back and forth began to escalate to the point where the Israeli Air Force was bombing targets around Cairo. In fact, they bombed a military camp on the outskirts of Maadi, the area of Cairo where I lived, and hit the camp which was located right next to the school where my children were going to school at the time. That was a bit disturbing. It killed a number of soldiers in the camp. That also tended to bring the Russians in, because as this escalated with the Israeli planes bombing targets in Egypt, the Egyptians began to try to stop them with both ground-to-air missiles, and their own fighter aircraft. There were a couple of clashes where a number of Egyptian planes were shot down.

Also, the Russians then decided to supply Egypt with the SAM 3 missiles, which are fairly advanced ground-to-air anti-aircraft missiles, which Egyptians began using then against the Israeli air force. So this all began escalating to the point where it was beginning to be a serious confrontation between the two sides. It didn't really stop until the war in '73.

Q: Before leaving the Egyptian picture, and moving to Iraq, when Nasser died, what was our intersection evaluation of Sadat at that time?

WILEY: We did not have as high an impression of Sadat as he later acquired, I would say, in the U.S. government circles. In fact, when I first went there, when Nasser was still alive, Sadat was sort of the designated anti-American. He was going around the country making speeches attacking the United States, I presume under orders from Nasser. Many times saying things that were out-right lies, that we would have to go in and protest as being, you know, falsehoods, that Sadat was saying in his speeches that were carried on the radio and put into newspapers. After, Nasser died, and Sadat took over, then he really decided he had to move their orientation more toward the U.S., so he stopped that, of course. Eventually, he became the darling of the United States government because of his decision to make peace with Israel, and to go to Israel. Of course, that happened after the war of '73. Initially, we did not have that high an opinion of him.

Q: Sort of the feeling that he probably wasn't going to last?

WILEY: I think, we probably felt that, yes, that he would not last all that long. He turned out to have more staying power, although, in fact, when he died, it didn't create anything like the

popular out-pouring of grief that it did when Nasser died. He was never the hero among the Egyptian public, that Nasser was. He was much more of a hero in the U.S. than he was among his own people in Egypt.

ARTHUR A. HOUGHTON III
Egypt Analyst, Bureau of Intelligence and Research
Washington, DC (1970-1971)

Political/Economic Officer
Cairo (1971-1974)

Mr. Houghton was born and raised in New York City and educated at Harvard University and the American University of Beirut, Lebanon. After Arabic language study in Lebanon, Mr. Houghton joined the Foreign Service and in 1966 was posted to Amman, Jordan. Specializing in Middle East Affairs, Mr. Houghton served in Cairo, Egypt, as well as in the Department of State and in the National Security Council in Washington. He was a Pearson Fellow on Capitol Hill and served as Special Assistant to Secretary of State Cyrus Vance.

Q: You came back in 1970 to the Egyptian desk in INR?

HOUGHTON: I must have returned in the summer, late summer, July or August, or 1970 to the Department of State. A position had opened up in INR, which I then was asked to fill, and that was the position of intelligence analyst of Egyptian affairs at a fairly exciting moment. It was the moment when the Nasser government had prevailed upon the Soviets to put increasing numbers of air defense forces as well as ground forces into Egypt, and there was this constant buildup that was going on.

Q: You were there from '70 to when?

HOUGHTON: I was there for only four months. Let me think about this a second. I must have been there from '70 into early 1971; that's my recollection.

Q: You were there for a relatively short time, but did you get any feel about how INR at that time was being used by either Policy Planning or by the Egyptian desk and all? What sort of use were they putting you to?

HOUGHTON: There were lots of things that we did in INR. INR, as you know, was intended, originally set up, to provide a separate and independent source of intelligence analysis to the Secretary of State and policy makers and so did not require them to rely entirely upon what the CIA or Defense Intelligence Agency or other intelligence and analysis groups within Washington or the Washington area provided them. We were supposed to be a group that could add value to intelligence reports from the field, from the Intelligence Agency, as well as to diplomat reports that came in through the State Department channel. We provided daily spot analysis for the

Secretary and to others that were distributed through the building. We provided an occasional more lengthy analysis of issues that we believed or had been tasked to write about from one bureau or another within the Department of State. We also served a coordinating function for intelligence issues between the Department of State and other agencies within the constellation of foreign intelligence agencies operating in the Washington area. That's what we were supposed to do, and we did it. Everybody there usually had considerable background. They had years of experience or had taught in the field in academics or had considerable knowledge of the area that they were supposed to cover. There were no novices there. I had come there after, let me see, two years of Arabic training, a year in Beirut, another year to a year and a half in Amman, Jordan. I was new to Egyptian issues but nevertheless had some experience in the area that was relevant to what I was doing.

Q: In this '70 to '71 period, what was Egypt going to be doing, and Nasser?

HOUGHTON: This was the last moment of Nasser as leader of Egypt. It wasn't foreseeable at the time that I left Jordan and came to INR, but within a matter of a month or perhaps a maximum of two, he died. But his legacy was enormous, not only in the Arab world but in Egypt as well. The Egyptians moved to nominate what everybody saw to be an interim candidate, interim president, Anwar Sadat. Everybody recognized him as a compromise between competing factions within the group of Egyptians who ran the country but functionally as, for example, minister of defense or minister of the interior or from the political perspective as the leading luminaries within the Arab Socialist Union itself, each one of whom had their own view as to just who should run Egypt if not them personally and how it should be run. Sadat, as Nasser's vice president, was an easy candidate to put forward, but everybody recognized that it would be temporary. There was another situation looming above it all, which was a new relationship that the Egyptian government had entered into with the Soviet Union for the provision of very, very large amounts of their defense materiel including Sam 2 missiles, air defense experts, new anti-aircraft artillery batteries, and mechanized equipment to help the Egyptians counter what was going on routinely and normally, which were Israeli overflights over the country for reconnaissance purposes and occasional clashes with Egyptian MIGs over near the Sinai area, or the canal area in any event. And finally there was, of course, the PLO (Palestinian Liberation Organization) in the Middle East as a major power among Arab states and the principal Arab state confronting Israel at that particular moment.

Q: Did you or your colleagues see Egypt becoming more of a client state of the Soviet Union, or was it really the Soviets were helping but they were pursuing their own course?

HOUGHTON: Well, I think it was a very subtle, very complicated relationship. The Soviets for their part saw in Egypt an important associate country, but in providing Egypt with certain types of equipment specialized personnel, they were extremely careful not to provide, to the extent that they could, Egypt with an offensive capability. That would then drive them to launch an attack against the Israelis, which they, the Soviets, felt would result in a disaster of the same nature as had occurred in 1967.

Q: Did you get any feel for the role of the intelligence analysis, INR analysis, of computers or supplementors or how it worked?

HOUGHTON: My sources of information were principally the following: first, what was available in the open press, and some extremely good reporting was being put out by the *New York Times* and AP and other correspondents who worked and lived in Cairo. There was a very able *New York Times* correspondent called Roy Anderson who had a Russian wife, who had very special insights as to what was going on in Egypt. He wrote very fine reports as to what was taking place within Egypt itself that the Egyptians allowed to go out, principally because in the end it didn't bother them as long as it didn't come back into the internal news distribution network. Another source of reporting obviously was diplomatic reporting from the Department of State from the embassy, which was in charge of a minister, Donald Bergus, who had himself been in Egypt for some considerable period of time and knew the area very well and wrote short, pungent statements of view that were pretty accurate overall in their assessment of what was going on. He was supported by his number two, Marshall Wiley, who later was the ambassador to Oman. Marshall was somebody who dug in and liked to write long, thoughtful, analytical pieces that were useful indeed in terms of helping us understand what was going on in Egypt. Then outside of that we had standard intelligence reporting, some of which were Egyptian and some of which not, and which appeared to focus on certain collection requirements, most particularly, for example, what was going on in the military field, order of battle information, the nature of Egyptian military capability in different services and fields as well as leadership issues involving, at an earlier point, Nasser's relationship with his principals, his view of the situation vis-à-vis Israel, and his view of the diplomatic issues involving the United States and others.

Q: Was there the feeling that with the death of Nasser the pan-Arab movement, the Nasser movement, was going to go downhill?

HOUGHTON: The pan-Arab movement had run out of a great deal of steam every year since Nasser himself had decided that it was a major political initiative on his part to promote within the Arab world. By the early 1970s it became pretty clear that most Arab countries were functioning pretty much on their own and independently of each other. They were concerned about Nasser's influence within their own country and over the foreign policies of other states that affected them, but in the end not much interested in listening to what Egypt wanted them to do. Exceptions were countries such as Syria, and Jordan to an extent, where Nasser's influence, because of the extraordinarily heavy role of Egypt as a confrontation state, affected them as well. There was nothing to suggest that there was an enormous resonance to the idea of Arab unity except among certain political groups and individuals, particularly younger Arabs, who wanted to feel that there was a cohesiveness that could provide them with a sense of unity. Governments didn't follow that for the most part. They seemed to believe that they could operate independently, separately, and did so. The Saudis are a good example of a country who paid everybody off in order to maintain their independence, and they weren't about to cotton to Egypt's and Nasser's particular brand of Arab nationalism.

Q: Was Egypt at that time exerting its influence in – I was thinking – the Yemen type thing? Did they have any sort of operations going on?

HOUGHTON: Well, they were out of Yemen by a long distance. They had gotten a terrible bloody nose in Yemen during the period of hostilities there. They were out of Yemen. They all

recognized that Yemen was their own Vietnam. They felt badly about Yemen. They had, to my recollection, no substantial operations of a military nature overseas, but they continued to have a major presence in other Arab capitals as well as world capitals of importance to them, including the United States – there was a diplomatic mission here – and the Soviet Union, of course.

Q: With the death of Nasser, was there a feeling that maybe we could start doing more business with Egypt?

HOUGHTON: No, there was nothing to suggest that the death of Nasser, in my view, would have anything more than a positive effect by removing an obstacle to what we hoped would occur; which was that the Egyptians and Arabs would wake up and understand reality meaning an almighty Israel unable to be budged or dislodged and a United States that would continue to stand by Israel and effectively insure that the Arabs could not exercise either military or substantial political influence within the context of the strategic balance within the Middle East between the Israelis and Arabs themselves. The United States, I think, saw an opportunity in Nasser's death in having somebody who had been, at least over the past number of years prior to that point, highly hostile to the United States replaced by a weaker government that might be more compliant and one that might listen up more carefully to what we were interested in and perhaps even what the Israelis were interested in.

Q: While you were on the Egyptian desk, was there much interchange with what was going on with the Israeli desk, or were you working in two separate...?

HOUGHTON: We all worked on it. INR is a very small group, and there were those of us who worked on the Middle East as opposed to South Asia. There were only three or four of us, and we all saw each other. We were in the same office every single day and conferred with each other routinely and normally. We were friends. We had lunch together. We exchanged views and frequently wrote joint items if it involved both Israelis and, for example, Egyptians or otherwise. We would all sit down and collaborate on a piece of paper that would then move out of the Bureau to other bureaus such as the Near Eastern Bureau itself.

Q: Who was the Middle Eastern boss in INR?

HOUGHTON: Phil Stoddard. He was a civil servant, not a Foreign Service Officer but somebody who knew the area very well, had been there for years.

Q: Well, you were there for a relatively short period of time, and then where'd you go?

HOUGHTON: Four months, and then I was asked if I would like to go to Egypt as a political-econ officer, and I then said, "Sure, I'd be happy to do that."

Q: So you were in Egypt from '71 to when?

HOUGHTON: I was in Egypt from '71 to '74, effectively three and a half years.

Q: What was your impression of Egypt politically and economically when you arrived there in '71?

HOUGHTON: Well, I'd been to Egypt before on a number of occasions. Physically and geographically it was very much the same. It was a country, surely an undeveloped country, with a two-tier system, two-tier social and economic system, whereby one group lived well and another group didn't live as well. Overall the Egyptians seemed to be able to manage their own society: at the lower end, feed their people, provide them with electricity, provide them with the wherewithal of a reasonably comfortable life even though it was fairly rudimentary when you got into the countryside. And there were Egyptians who wielded enormous privilege in Cairo itself and who had the freedom to travel and dollars, dollar accounts, and so forth. I was basically reintroducing myself to Egypt after having been there on numerous occasions before going back 10 years.

Q: Who was your ambassador when you were there?

HOUGHTON: We didn't have an ambassador, we didn't have an embassy. The Egyptians had broken relations with us in 1967. The downgrading of status from embassy to mission meant that we and the Egyptians separately had different protecting powers, so to speak. Our protecting power agent was the government of Spain, the Spanish embassy, and in Washington the Egyptians had the Indians, the Indian government, as theirs. We flew a Spanish flag over our embassy. All of our embassy staff were members of the Spanish embassy in the first instance, attached to the Spanish embassy. I was the second secretary in the embassy of Spain, and then at the same time it was made perfectly clear on my card that I was in something called the US Interests Section. And similarly Egyptians conducted themselves the same way here. We had a minister in charge, whose name was Donald Bergus.

Q: How'd you operate?

HOUGHTON: Well, first of all, let's start with how many. There were 16 individuals, Americans, in Cairo when I arrived; I was the 17th. We did what we did in an almost routine and normal manner in the same manner that other embassies of that size might run themselves. We had a standard set-up of an executive section made up of Don Bergus plus a secretary. There was a political-econ section overseen by a counselor, Marshall Wiley, plus administrative, consular, communications, a commercial officer, a budget and fiscal officer within the administrative section. It was a fairly standard set-up that carried out most of its functions pretty efficiently.

Q: You were doing what, political and economic work?

HOUGHTON: Political and economic work to the extent that I could.

Q: What were you looking at?

HOUGHTON: It was never clearly defined what I should be doing. Virtually everything that came along was something that I looked at and asked myself whether I could participate in or

could not or should not. I conferred everyday with Marshall Wiley and frequently with Donald Bergus about what they were doing in a manner that would allow me to figure out what my role could be. There were some days you had to make a decision. There was a great deal of work to do, and you had to make a decision early in a particular day as to how much time you could allocate to meeting and talking to people, how much time to writing reports to the Department of State, which we knew wanted to hear from us, and how much time you could spend reading cable traffic or newspapers or whatever it was in order to keep yourself informed about what was going on. Sometimes it was difficult to do. In the end a sort of a system of triage set itself up. There was a series of things that you absolutely had to do, you could not avoid; there were those things that you wanted to do and, if you had the time, you could do it; and then there were things you simply couldn't pay attention to: innumerable Department messages, airgrams and so forth requesting information on one aspect or another of Egyptian economic production: how many bicycles did they turn out in a particular year, what was the labor situation like with respect to, for example, the relationship between Egyptian labor unions and the AFL-CIO, that kind of thing; and you simply put it in the bottom of the in box and, if it ever migrated to the top, then you could get around to it, but frequently it just never got there.

Q: Did the Spanish intrude at all?

HOUGHTON: No, we were very careful to brief to Spanish at the ambassadorial level. Don Bergus would go over routinely every Friday and have a luncheon discussion with the Spanish ambassador to keep him up to date as to what we were doing. That was the principal channel of communication. If there was an emergency situation or something that required urgent attention, they'd simply pick up the phone and call or make a nonroutine visit over to the Spanish embassy. We never saw a Spaniard in our embassy at all. Maybe the Spanish ambassador came over and visited once or twice, but to my recollection I never saw it. No Spanish embassy officer cared about what we did, and we functioned essentially as an American embassy might, even though we were technically or diplomatically operating under another power.

Q: How about its social functions, diplomatic receptions and things of that nature? Did you have to sort of stand below the salt or something like that?

HOUGHTON: No, I was the US second secretary, and I was given whatever respect or not came with that particular title. I was normally invited. People wanted to know what we were doing and, therefore, we were the subject of some interest. We were much more interested in finding out what was going on in Egypt, and there wasn't a great role for American diplomacy that was going on within the Egyptian embassy itself. There was some but it was a very slow period.

Q: Really you were looking....

HOUGHTON: That changed when we resumed formal relations years later after the conclusion of the 1973 war, but that was a different period.

Q: But you were there during the '73 war.

HOUGHTON: I was.

Q: How was the build-up to that? Were we seeing this? Did we have a military attaché there?

HOUGHTON: No, we had no military in Egypt at all.

Q: Looking at it at the time, were there warning signals or were you hearing from others, as apparently the Israelis did and everyone else, sort of discounting the fact that the Egyptians wouldn't be so stupid as to try this?

HOUGHTON: Well, that was part of the background noise. Let me go back to the period after the death of Nasser. Three to four months after Nasser's death there was a major internal shake-up of government. That followed a decision by Sadat to move people out of government: the minister of interior, the head of the Arab Socialist Union, and a bunch of other people who were viewed as either being strongly pro-Nasserite or strongly pro-themselves, in a move that essentially consolidated Sadat's power as principal ruler within Egypt. Sadat continued to make clear that, with respect to the issue of war and peace with Israel, if Israel was not willing to return to Egypt Egyptian territories it had taken during the 1967 war, then there would be another conflict. The idea that he conveyed to both Egyptians and others was a sense of determination and resolve that, if we cannot resolve this other than by war, that is what we're going to have to do. The sense that most of us had was that Egypt surely could not do it alone. We thought that the likelihood of a cohesive military association with Syria that would bring both of them in it together in a coordinated attack was extremely unlikely, and in the end the military unbalance so heavily favored the Israelis they wouldn't be dumb enough to pursue it in that manner. Egyptians thought differently, but that is how we saw it. And the Israelis tended to see it that way, and it was perfectly convenient to the United States, because in the end it was what you'd call a regional conflict that had shrunk to three or four states only and it was principally contained. Nothing was likely to happen. The principal troublesome issue was the nature of the Egyptian-Soviet military relationship. This saw a considerable volume of, as I mentioned before, of Soviet military equipment move into Egypt as well as Syria. There were also large numbers of Soviet advisors as well as East Germans and others who play specific roles within the different areas of functional activity that the Egyptian military and intelligence services were interested in. Yet at the same time it seemed perfectly clear that they were not interested in providing Egypt with an offensive capability. We had continuing reports of Egyptian military training. There was a training cycle that ran through their spring exercises and then more major fall exercises that occurred every year. Occasionally Sadat would give a talk in which once again he would express frustration or rage about this political situation and the determination to break out of it. Every now and then there was some other kind of report that crept in. I do remember an intelligence report suggesting that Arafat had told Palestinians very close to him that he knew or understood that by the end of 1973 Egypt and Syria had decided to proceed to make war on Israel. In the absence of any other indicator, there was nothing that suggested that this had much substance to it. The Egyptians wanted one major thing from the Soviets which the Soviets didn't give them. They wanted the Soviets to get their hands off the trigger. The Soviets ran the air defense system. They ran basically through an interlock system of advisors much of the decision making of the Egyptian military, and the Egyptians were clearly anxious to get out from under that particular degree of control. The result was nevertheless a sense that there was nothing much that was going on. There was a critical visit that the Egyptians made. They sent off a delegation to

Moscow to resolve the equipment issue. They wanted, again, large volumes of equipment that would allow them to upscale and upgrade their military and give them the offensive capability that they believed they wanted. That delegation returned to Cairo with an absolute negative. The answer was no. The Soviets were not about to give them that opportunity. By July, I think it was – we're now in 1973, June or July but I believe it was July – the Egyptians had decided, Sadat had decided, that in the end if we're not going to get what we need from the Soviets, then we're going to invite them out. In one of the most dramatic developments of that year, tens of thousands of Soviets, military people, were invited to leave the country, which they then did in a matter of a very few days, including their families but not taking their equipment with them. It was Sadat's way of saying, "Thanks for your help in the past, but if you're not prepared to do what we need you to do, then you're no longer welcome here." By that time in the Egyptian view they had large numbers of trained Egyptians, trained in the air defense system, trained in aircraft and aircraft maintenance, trained in tactics as well as military strategy, in a manner where they felt they could take over, and they had ideas about how to make use of that. From the viewpoint of most other people, it was seen as a prop that was being knocked out from underneath them, that the Soviets' departure voided Egypt of a capability that they otherwise had before. If there were a true conflict, for example, the Soviets were necessary for Egypt's military capability. It was looking at things from a totally different end of the pole. The Egyptian military and Sadat, political leadership, saw themselves as being taken out from under the restraints that the Soviets had placed upon them, and they were now moving toward almost inexorably toward a military conflict of their own initiation without the Soviets there to stop them.

Q: As we saw it, did the Soviet expulsion come as a shock to us?

HOUGHTON: Enormous, a tremendous surprise.

Q: What was the attitude within the embassy? What does this mean? Does it mean a zero sum game? If they're out, are we in?

HOUGHTON: I don't think we reported it in that manner? What we wanted to do was to be sure we understood what was going on from the viewpoint of an embassy in Egypt itself. We had seen some buildup toward this in the days before that point. There had been cryptic sort of notices in the daily paper to the effect that the Soviet ambassador, Pojidaev, had met with Sadat for 45 minutes in one day and came back and saw him once again 15 minutes the following day – very unusual little announcements. There was an enormous sense of nervousness that was going on within the Eastern European community. We and the French and the British definitely were picking up signs that there was some dramatic event that was taking place that none of us could really penetrate very easily. It was more easily picked up, if I understand correctly, by our own military in technical capabilities when we saw the Soviet worldwide air transport command come push their planes back to Moscow and bring them back to the Soviet Union in a manner that was unclear to us what was going on but it looked as if it certainly was preparatory to some major event of one kind or the other. We couldn't liken it to a training exercise nor could we localize it in terms of what country they were interested in directing the next step toward. But then all of a sudden they began to leave the Soviet Union in enormous rush, one after the other after the other, coming into Cairo to pick up their own people to bring them back home.

Q: Did we have any real contact with the Soviets at all?

HOUGHTON: I had contact with the Soviets peripherally a little bit later but not at that point – I'm sorry; let me put it the following way – within Cairo, and with respect to Egypt I don't know the answer to that broadly speaking. It was not a subject that I think was high on other people's agenda with respect to what our and Soviet interests were together except as sort of a diplomatic issue that would occasionally come up in discussions in Washington and Moscow.

Q: But nobody in the embassy said, "Well, the Egyptians are taking things over, and they're going to try something"?

HOUGHTON: No. We did not read it that way. That would have been an accurate conclusion as to the effect of the move, but we did not read that conclusion and to my knowledge nobody else did either.

Q: I recall it was just plain sort of disagreement with the Egyptians and this was just they were more independent.

HOUGHTON: It didn't suggest that the Egyptians had gotten any stronger and more capable. The basic factors that existed in the military context in terms of Egypt's war-making capability were not affected by this except, in our view, by being weakened by the absence of Soviets, who presumably had a more proficient ability to handle their own equipment. There were other things that were going on I should tell you. This was reported not only by the Israelis but also reported from, if I recall correctly, overhead intelligence. During the 1972-to-'73 period, during those two summers and over the course of the winter, the Egyptians had built huge berms on the Egyptian side of the canal, great big sand berms that rose up 30 or 40 feet. We could see tractors working on them; the Israelis certainly could, and they reported this to us. They were located approximately every kilometer or two along the edge of the canal. Nobody quite recognized what these were for. You know those crazy Egyptians; they're doing something again, moving sand around, perhaps to show, maybe their observation points. What they turned out to be was tank-firing platforms. During the invasion of Sinai the Egyptians used those to run tanks up and fire down at a height upon the Israeli strong points on the Suez Canal. It was never suggested that that might have been one of the purposes of it.

Q: As you got there and as things were moving up towards the '73 war, was there a more positive appraisal of Sadat developing or not?

HOUGHTON: We had very little interaction with Sadat. He was a very difficult person to read. He kept his cards very close to his chest. Remember, he followed in the wake of Nasser, a charismatic leader, but he demonstrated none of the characteristics that Nasser had. He clearly had his own views. He was clearly strong within the Egyptian context, but he wasn't the fire breathing speaker, he wasn't interested in a grand concept like Arab nationalism or Arab unity. During the course of his leadership, early leadership, we began to see adjustments in Egypt with respect to Egyptians believing that they were more Egyptian than Arab. It was under Sadat that the United Arab Republic was renamed the Arab Republic of Egypt. Egypt for the first time as a name appeared. That's got to be intensely symbolic to most Egyptians. For the first time their

name came back. Egyptian Copts in particular were heartened by a new freedom that they seemed to have to write books and put on plays and do other things of a cultural nature that took Egyptians back to a time before Islam, of a period when the Copts could trace their own roots back to instead of being required to pay service to the idea that Egypt was not only an Arab nation but an Islamic nation that had no existence prior to the seventh century. It was interesting to see. It was a period also when the Libyans were sounding out, Qadhafi was sounding out Sadat to try to find out, now, how can we get together and create a great unity here. There was a real coolness and diffidence on the part of Sadat to the idea of associating with another country like Libya. The Egyptians were very good at putting forth ideas that somehow, if there was a viable unity, it really should be between Libya, which would provide the money, and the Sudan, which would provide the agricultural land, and Egypt, which would have the expertise and human capabilities to be able to make it work properly. That was a very Egyptian idea convenient to Egypt, not to the Sudan or Libya particularly. But in any event, life in Cairo didn't seem to change a great deal.

Q: Was the idea of getting back their land in the Sinai and Gaza in the air, Egypt will rise again; in other words, was there a thirst to get back at Israel? This is not exactly the greatest land in the world to lust after, to have it returned to them.

HOUGHTON: To Egyptians the Sinai had enormous significance because it was Egyptian, it had been Egyptian for countless years, centuries even, and the Egyptians didn't look at it as a place of enormous physical wealth or as a financial resource; it was part of their own territory. They made it clear on one hand that they wanted it back and Israel would not be awarded peace absent an agreement to return Sinai, and yet the Egyptians had no apparent way to regain it themselves. The old exhortation of Nasser "What has been taken by force can only be regained by force" was not far absent from the viewpoint of the Egyptian leadership when I was there under Sadat. So in the end the idea of returning it, if necessary by force, never left, never departed. However, it was normally viewed as a hollow threat.

Q: When you were at the embassy, how did the events leading up to the '73 war, the October War?

HOUGHTON: Well, first of all, a number of things happened to us. In 1973, early in the year, our then minister in charge, Jerry Greene – I'd say in May or June, June if I recall correctly – left Cairo to go to the United States not to return. He simply departed. He was hoping for another job. He basically packed up and went home, leaving the embassy in the hands of Marshall Wiley, who was still then counselor. As chargé d'affaires Marshall became more visible, and an AP report came out of Cairo – I remember this very distinctly – that made its circuit that the American mission in Cairo is in the hands of the counselor, Marshall Wiley, and it was a modest Class 2 mission. Class 2 mission is the State Department's administrative language for what type of support can be afforded a particular embassy or diplomatic mission. But this article landed on Sadat's desk, and he, according to reports I heard, was close to being apoplectic by the idea that he was being afforded a second-class US mission and headed by a man who the prior year he had asked be thrown out of Egypt. Marshall knew none of this. None of us knew anything of it. What had happened was that the year-and-a-half before there had been yet another group of anti-Sadat conspirators or talkers, whoever, some of whom lived in one of the foreign embassy districts in

south Cairo called Maadi and at least one of whom knew Marshall. They saw each other at the Maadi Club. They didn't play tennis together but they shared the same swimming pool. Marshall, like a good Foreign Service Officer, would give them, "Oh, you're interested in this subject. Here. Why don't you take a copy of my book *Thomas Paine* and others. They'll show you what we did back in the days." You know, "How do you create liberty?" That's a good Foreign Service Officer idea. Of course, the problem was that his books, with his own bookmark inside them, were then part of the material that the intelligence services brought together after they had discovered the conspiracy, and Marshall was fingered as somebody whom they were in close association with and therefore they felt was personally involved in supporting the conspiracy. This was brought up by the intelligence services to Sadat, who said, "That man must go." But Marshall, who knew many people who liked him a great deal, was totally innocent, had nothing to do with anything involving a conspiracy against the leadership of Egypt, simply never translated the order into action. And so he was there a year later when this new AP report came out saying, "Marshall Wiley's in charge." He was then ordered directly to go. By this time there was no way of avoiding it, and so he was given two weeks to pack up and move out, another PNG, leaving the embassy in charge of an administrative officer, Richard Smith. This then takes us to, let's say, August, late August of '73. So we were a much smaller group than we were before. We had an administrative officer with no political experience in charge. I was the political-econ officer still. We had a staff of seven or eight people at that point. That's it. We were hardly able to know or do a great deal. We were so strict with resources. We were stripped of resources to the point where the political officer, me, had a hard time figuring out day to day "Do I read, do I talk, or do I write?" Dick Smith had a hard time figuring out "Do I administer or somehow do things of a diplomatic nature?" We talked to each other and shared responsibilities and so forth, and read what other people were saying, and to the extent reported what we ourselves heard. I had a number of Egyptian friends, but I only got some little information from them and much more from others who were in Cairo at the time – correspondents and others who would come by and want to know what we knew. Then they would come back and brief us as to what they'd found out from Egyptians they'd spoken to and others. But there was no sense of anything awry until about a week to 10 days before the war of 1973 broke out. I had made my normal rounds, I remember, early in that week or foreign correspondents working in Cairo, and we all knew that something odd was going on. We didn't know what it was. There was a build-up towards something of a political nature even while in the background there was the normal military maneuvers that were beginning to take place. What we were told and everybody believed was they were fall maneuvers of the Egyptian army, the way they had done in 1972, '71, '70, and so forth. There was a funny report that came out of a Middle East news agency from the Middle East news agency's reporter on the canal, with Egyptian forces that, he said, are ready to cross the canal at a moment's notice. It was pretty alarming. That report was out and then there was a recall notice that was sent out by the Middle East news agency immediately afterwards: "That was invalid. That didn't occur." And it never went out on any of the international wires, but it was hitting the local national wires and the wire services picked it up. They couldn't report it but they picked it up. I remember talking to a very capable head of *DPA*, *Deutsch Presse-Agentur*, Matias Hart, who scratched his head and said, "It's the funniest thing I've ever seen. Of course, there's nothing to it, although I can't say that for sure. Something's going on," he said. He'd been there long enough that he'd picked up something, but nobody quite knew or could identify what it was. In the meantime we were receiving reports from Washington that were either transmissions broadly circulated or others, some of which reflected

military-to-military conversation between ourselves and the Israelis. Our technical side was picking up movement of Egyptian forces and dispositions and types of communications that we thought constituted a potential move toward an offensive posture. The Israelis kept saying, "No, absolutely not. These are normal fall maneuvers. We've had nine of these all along. Don't worry about it. Stay cool." The Israelis were actively involved in discouraging us from getting too excited about this. I remember being asked by my consular officer, Beth Jones, later our ambassador to Kazakhstan, "What do you think about this?" I said, "I just don't think there's much too it. It doesn't make a great deal of sense to me," and my instinct was that, until I saw more going on and more preparations domestically, it would be hard for me to put together the idea that the Egyptians were about to launch themselves into an offensive attack against Israel. So, therefore, I discounted it. Everybody did, the Israelis and, most importantly, US policy makers did. It was inconceivable that the Egyptians would believe themselves able to do something like that without taking terrible and devastating consequences.

What people didn't realize is that there had been an extraordinarily tight degree of cooperation between the Egyptians and Syrians, both at the political as well as military level. They had coordinated what was in fact an extraordinarily sophisticated plan, with the principal compromise that, instead of launching an attack against the Israelis in the Golan and Sinai at dawn or dusk, which would have favored one with the sun behind them and disfavored the other with the sun in front, and compromised that the attack should be launched at noon on Saturday the 6th of October, if I recall correctly, and that's exactly what happened.

Q: Yom Kippur.

HOUGHTON: I remember the day before, Friday, or two days before. I deliberately drove around Cairo to see to the extent I could if there was anything that suggested a heightened state of alert or preparations of any kind in the areas of Cairo which I covered, to which the answer was none. There was one sleepy little guard on the big bridge that went across from....

Q: You go at night and see how many windows are lit up at the Ministry of Defense.

HOUGHTON: They have their windows blacked out, very effectively blacked out. Don't think I haven't done that. But one thing I did not want to get in the habit of was doing this enough so that the Egyptians were already concerned and a little suspicious about me personally. I might seem to know more than they felt comfortable with, would find myself noodling around Cairo looking at the windows of the Ministry of Defense. I also felt fairly surely that the Egyptians kept an eye on me as on everybody else. They sometimes would watch my movements fairly carefully, sometimes would simply go through the business of making certain my phone calls were properly recorded, and so forth. And I felt I had better things to do than get thrown out for something that I could better do another way. But I reported that there was nothing immediately visible even though there was some heightened event that was going on. Another member of the embassy staff reported that the Friday before the Saturday of the attack, that Friday evening, he'd seen large pieces of bridging equipment moving through Cairo, pontoons and collapsible bridging equipment on mechanized tank bottoms. There was no way to put this together. We had no overall view of the country and no manner to integrate the scraps of information that came together. In the end that was the responsibility of Washington. It was kind of the friendly

American side. And the Israelis were constantly telling us, "No problem, nothing going on." I woke up the following morning to be handed a report by the communicator, State Department communicator, who said, "Do you believe the Egyptians are going to attack?" and I looked at him and said, "I can't imagine it." He said, "Well, read this and this." It was a conversation reporting from Kenneth Keating, our ambassador to Israel, reporting a conversation he'd had with Golda Meir. That morning we called him in at four o'clock in the morning and said, "We see absolute confirmation that there is going to be a joint attack on Israel by Syria and Egypt that evening at six." Even then the timing was wrong. But the Israelis, who had everything to suffer in terms of consequences to them by not being on top of this, were in fact buried under and totally unprepared for what then followed, which was an aircraft attack followed by troops coming over the canal at them as well as on the Golan Heights at noon on Saturday.

Q: So what were you all doing when this report came in?

HOUGHTON: Remember, there were very few of us. I immediately took it to Dick Smith, who was in charge, and I said, "This is surely serious enough to pay attention to it. I strongly recommend we pull the staff together, American staff together, very quietly for a little staff meeting in an hour or so, just to be sure that the word doesn't get out among the Egyptians who work at the embassy that there's some issue afoot. But let's pull a staff meeting together and talk about it a little bit," which we then did. There's not much you could do. We were being told that war was about to occur that day and it was going to be cataclysmic and it involved three countries, Syria, Egypt and Israel, and the best you could do is try to stay alert as to what was going on. But, you know, you couldn't leave them properly. You didn't want to do anything that would tip other people off that you were aware of something that you shouldn't be aware of, like going down to the grocery store or the commissary and filling up your car and taking it home. And don't think I wasn't tempted to do so. Then I decided, well, maybe not. When we get word that something's going on, then I can do that, but not until. I debated calling my wife. I think I probably told her I probably wouldn't be home for lunch, that there were things going on. Indeed there were. In any case, that's the way we prepared ourselves, essentially by carrying on business, I hope to the outside eye, as if we were unaware of anything unusual taking place. But the flood of reports began to happen after that, because once Keating was aware of it, his whole embassy went out and began talking to the Israelis about what they saw, a flock of reports moving back and forth between Washington and Israel, no specific instructions or guidance from Washington to us, and we were beginning to get stuff from other posts around as well.

Q: Your communicators must have been swamped.

HOUGHTON: There was a lot of stuff going on, sure, but they managed it fairly well. There were only two communicators, one State Department and the other a technical communicator. They had to work together, and they were swamped. After a while they were asked please to knock it off and take a couple of hours sleep and shut down and tell people to send no more flash messages for a while. They could sleep as long as there were no more flash messages, but the tendency, the incentive, to send flash messages around was very hot.

Q: Well, then what did you do?

HOUGHTON: There was not much we could do for the first day or so. It was Saturday and it was supposed to be a weekend and so forth. However, we opened up for business on Sunday. Everybody came in. The most pressing concern of the embassy itself was for the safety and welfare of Americans in Egypt. That included large numbers of Americans, some of whom were normally part of the fabric of Egypt – they were married to Egyptians; many of them were Americans of Egyptian origin – but then there was another group which were Americans in hotels, tourists up the Nile, and businesspeople who were in Cairo doing standard business. Of course, once the war had broken out, once the noon deadline had passed, all of a sudden all communications outside of the country, moving out, was brought to a standstill with the exception of overland communications from Alexandria westward into Libya and so forth, or a trickle that moved back and forth from Egypt to the Sudan and back. Aircraft communications were stopped. In fact, the minister of transportation was sacked after the war, or even during the war, because he had on his own the day before the war was to take place, knowing it would take place, decided to spare or save Egypt's aviation fleet and told them to stand down wherever they were, not to fly back to Cairo that night. Well, of course, how do you give the enemy a better signal that something is really odd going on than saying, "Don't come back home, guys." Then he had his other aircraft leave Cairo before the noon deadline. In any event, our concerns were basically, I think, in priority order: one, dealing with the large number of Americans in Cairo – 450 is the number that hits me – and try to put together some means to get them out, to clear them out.

Q: I was at the other end. I was in Athens as consul general there. We were trying to charter a ship, and it's amazing how difficult it is to charter a ship....

HOUGHTON: The Greeks knew how to hold us up.

Q: Oh, absolutely!

HOUGHTON: My recollection is that they quoted one price and the price changed from day to day, and then when they got to Cyprus the boat stopped and decided they weren't going to get any further until, but, of course, money could soften it up a little bit. Well, Athens was the nearest point to Egypt in terms of a major capital to get people to and the Greeks had the boats to be able to do it, but it must have been rather remarkable.

Q: It really was. Our administrative officer made the arrangements. I put a consular officer on board the ship and told him, "Take the most substantial looking businesspeople there and form a committee," because a lot of people were pretty annoyed that they didn't have first-class cabins and all that sort of stuff.

HOUGHTON: I think we ought to stop here.

Q: All right. Well, I'll just put at the end here we'll pick this up with what you did. We talked about the initial attack – talking about the October War – and what you were occupied doing. You were saying, but we really hadn't discussed it, getting Americans out and what you did to get the Americans out of Egypt and out of the line of fire, and then on.

Okay. Today is the third of July, 2001. Arthur, we're in the October War in 1973. You got involved getting Americans out. What did you do?

HOUGHTON: I was involved, as was everybody else in the mission there, to try to get Americans who had no business being in Egypt out, businesspeople, tourists, and so forth, who had other things to do. There was a substantial American community in Cairo that, of course, were resident there or were married to Egyptians, one way or the other. They could take care of themselves fairly well, but those who wanted to get out we tried to make available shipping from Athens that would come and pick them up and take them out of the war zone. That didn't work very well. In fact, if I recall correctly, it hadn't really got a ship....

Q: One ship came.

HOUGHTON: One ship arrived, but it took a long, long time to get it there and....

Q: The insurance rates and the shipping people.

HOUGHTON: We had about 450 who we figured probably wanted to leave, get back home, and Alexandria seemed the easiest route of access. By the time a ship was on its way, the British and French and Europeans had already found their own way out and the war was coming to a close.

Q: During this time what were you observing of the Egyptian reaction and what was happening in Cairo?

HOUGHTON: Well, it was very interesting. There was very little reaction whatsoever in the street within immediate visibility. Now, I have to tell you that it was considered unwise to go toying around to look for Egyptian military equipment or personnel or activities, and so in the end I stayed fairly close to the embassy and on routes that took me in the area of central Cairo itself. I was often over at the Foreign Ministry from time to time, at the Spanish embassy, and in a limited number of other locations. There was a great deal to do, of course. We were in a situation that required a certain amount of reporting from both the press, from people we spoke to, from our own sort of views as to what was taking place within Egypt. One didn't have the luxury of a lot of time to go around and see things. At the same time, it was pretty clear that we were under close scrutiny by the Egyptians themselves. During the later course of the war, while the war was still on, I was informed by a friend of mine at the American University that the Egyptian intelligence service officer at AUC had asked him, who he knew was a friend of mine, to tell me to please slow down because they were having a problem following me in the car that I was driving. So I said, "Sure, fine." I had no reason not to have them know exactly what I was doing. These poor fellows driving a small Egyptian Fiat could barely keep up with my large Buick as it drove with speed through Cairo.

Q: You say you were busy, but I'm trying to capture, for people who don't know what the profession's about or who want to capture the time, what you were busy doing. What were you busy doing?

HOUGHTON: Well, let's describe the country with the embassy overall. First of all, we did have a serious concern about the protection of Americans in Egypt and about getting those out who wanted to be able to get out. That took a lot of activity on the part of the consular section but also all of us were asked to help one way or the other. Secondly, there was the normal business of trying to absorb what the Egyptians themselves were telling the world and themselves through their media, press, wire services, and so forth. That needed to be reported back if it contained important information. Thirdly, I wanted to be sure that, to the extent we could reflect what we honestly saw in terms of either preparations or actual activities related to the war, to be able to ensure that that was reported. I stayed in very close touch with four or five embassies as well as all of the local, in many cases highly knowledgeable, press agency types, including UPI, a fellow who was himself a native Egyptian with very good services; a German who ran Deutsch Press, married to an Egyptian, extremely bright; the French and the AP wire service individual. The *New York Times* correspondent was there but reluctant, understandably so, to be seen to be too close to the American embassy. He wanted to keep himself fairly clear of us, so he wasn't very useful as a source, but nevertheless I felt it important to talk to each of these people several times during the course of each week, maybe even several times during the course of a day. There was an interesting moment when a member of the Soviet community, later identified as an intelligence officer in the GRU, military branch, contacted me and wanted to send a message through me back to Washington, which I expect was being repeated elsewhere, but nevertheless that took a certain amount of attention as to how to handle it. We met each other for luncheon, a day I won't forget. The war broke out on a Saturday, and he called me Monday morning about 11 o'clock and suggested we have lunch, and I said, "Leo, I don't think we should have lunch yet." Luncheon in Egypt isn't until two o'clock in the afternoon. He said, "No, I think we ought to have lunch now." Well, fine, we compromised at 12:00 or 12:30 and saw each other. He then gave me a seven-point personal view, message, that was perfectly clear that he had coordinated with the Soviet embassy. It was the only contact any of the Soviets had with the US interest section at that point, so this is the one they wanted to get across. For whatever reason, no one else seemed to be suitable for that particular message, so I was the person who caught it and then sent it back to Washington. I had [inaudible] a number of times. I have no idea whatever became of it. There were innumerable messages and pieces of information flying back and forth, even as a dynamic situation evolved, so that what happened the day before was not necessarily validated further on the day that followed. It changed very rapidly.

Q: In your contact particularly with Egyptian sources at the Foreign Ministry, new media and all, were they going through sort of an up and down, first almost euphoria when the Egyptian troops got through the Bar-Lev line.

HOUGHTON: Impossible to tell. Remember, we did not have warm and close and friendly relations of a diplomatic nature with the Egyptian government. At the time we were an interests section under the Spanish flag. The Egyptians wanted us to be there because we were important as a channel of communication to Washington when they wanted to use it, but at the same time they behaved toward us in a totally professional manner and hardly were going to emote greatly in front of us one way or the other. The several times I went over to the Foreign Ministry basically involved the transmission of a message or two back and forth from Washington to them. In one case the press had become increasingly, shall we say, overly vituperative about the

role of the United States in support of Israel. I made an appointment and then, with my principal officer, who was admin officer at the post, went over to see the head of the American section at the Egyptian Foreign Ministry to let them know that we were concerned about the nature and role of the press in adding fuel to the fire and that we would like very much to have it abated. We were told, of course, that the press is a free press in Egypt and the government had no control over it whatsoever. We took note of that and said, "Thank you," and the next day it all calmed down, so we felt we had some effect.

Q: Were you getting at all from any source a feel for the course of the war?

HOUGHTON: No, we had a very, very narrow vision as to what was going on. We were full of information from other sources, diplomatic reporting from other posts, certain types of intelligence reports that would come in from the side, press and others, so we had, generally speaking, a composite picture of what was taking place. We could get a broader picture of the regional effect of what was going on, but when it came down to what was taking place on the ground, it was extremely murky. The Egyptian press, you knew, would not be giving it straight, and the Israelis weren't giving it particularly straight either, except it was perfectly clear that the war was going through several phases. The Egyptians and Syrians were on the offensive for at least four days, to the surprise of the Israelis, before the Egyptians dug in in the middle of Sinai with the hope of withstanding an Israeli assault, which they more or less did with the exception of a major breakthrough that occurred about 10 days into the war, if I recall correctly, when Ariel Sharon with a combat force moved into and across the canal and then encircled the Egyptians near Suez.

Q: Was there any time when people were sort of talking about Cairo being under threat of actual Israeli invasion?

HOUGHTON: When the second or third day of the Israeli penetration of Egypt had occurred and it was unclear what they intended – they didn't make themselves clear, deliberately for operational purposes. They could have seen that they could move directly toward Cairo if they wanted to and if they had the force to do it, recognizing that they had punched through the Egyptian line and that Egyptian defense forces in the area of Cairo might not be enough to stop them. That was a thought, or did what they did, which was to move in another direction, in this case toward the south over the main Suez-Cairo road and circle and cut the city of Suez off. But there was about 12 hours to 24 hours of ambiguity there as to what was going on, and we had no better information as to what was taking place except there was a large force moving into Egypt in some direction.

Q: Was the knowledge that the United States was organizing a major airlift of supplies to Israel and all, was this a problem for you?

HOUGHTON: I don't think it was a problem in a sense. Egyptians had no particular reason to take any action or allow any action of any kind to occur against the American community in Egypt whatsoever. They behaved overall courteously to the extent that they could in a friendly manner. Many Egyptians I talked to – I didn't talk to many Egyptians, but those I did talk to – were euphoric that they appeared to have been successful in the first wave of their own assault.

There was no problem as such, and even though we did undertake a major airlift, as you know, and had constant flights which you could hear overhead – you could hear the double sonic boom of the SR71s as they went overhead....

Q: SR71, called the Blackbird.

HOUGHTON: It was high altitude and flew at very high speed. We could hear them overhead. There was no inward direction. If the war had gone so badly that the Egyptian army had found itself lurching back in retreat, we would have probably asked Americans for their own safety not to go out of their houses a lot, not to conduct normal business and be careful about what they did. Well, it did not come to that. The Egyptians were able to hold onto their four positions in northern Sinai, and only the city of Suez was being threatened by the Israelis internally. Toward the end of the war the Egyptians tried to make a point by launching a few scud missiles at Israeli positions on the canal.

Q: Was the Foreign Ministry sort of using us as a line of communication with the Israelis or anything like that, sending warning?

HOUGHTON: [Inaudible?]

Q: No, the Egyptian Foreign Ministry, they weren't using us as a...?

HOUGHTON: Well, the Foreign Ministry did not. The Presidency did use our facilities as a means of communication to the White House, and that was all back-channel stuff that was carried on principally through the agency that was centered in Cairo.

Q: At the end when there was a cease-fire and all, what happened as far as you all were concerned?

HOUGHTON: The cease-fire occurred and within a very short period of time it became very clear that diplomacy in the Middle East had changed dramatically. We found ourselves in the midst of a new phase of Arab-Israeli discussions; that is, the United States did. The Secretary of State, Kissinger, made plans to come to Egypt within a matter of weeks, no more than a month, if I recall correctly, from the end of the war. Interestingly, we received a visit of a National War College delegation to Egypt within a week or so after the war had ended. It was quite unusual to see an American C141 land at the Cairo airport and disgorge 30 or 40 passengers, almost all of whom, to my recollection, with the exception of one were members of the US military. The Egyptians wanted them there. They hosted them royally. They had their own National War College people put them up, not in terms of putting them as residents but hosted a series of meetings, took them around. They were thrilled with the idea that the US should want to see what happened in Egypt in a manner that in their view they had succeeded beyond their wildest dreams, even at the same time Suez was totally surrounded by an Israeli force.

Q: Well, you had the third Egyptian army which was cut off.

HOUGHTON: That was the third army in the Suez area. But that was interesting. They stayed in

power for several days, and at the end of it Sadat asked to see them to talk about his vision of what the war had been, why it had occurred, what it meant, where it should go. So that was interesting. And within a matter of weeks or so after that Henry Kissinger arrived as part of a first stage of shuttle diplomacy that went back and forth.

Q: I realize things were happening so fast, but in your view – and I'm using the collective you all – was Sadat going up in the estimation by this time?

HOUGHTON: Oh, sure. Nobody knew Sadat very well. We had had contact with Sadat over a period of time but relatively little. Don Bergus, when he was in Cairo, saw Sadat occasionally, but I mean really occasionally, every three months or so. Occasionally a US correspondent like Arnaud de Borchgrave would come by in order to collect a story on Sadat, and he'd stay in Cairo until he got his interview, and then he'd normally routinely debrief us on it afterwards. But Sadat was not held high in the estimation of people. In part, they were bemused by his reputation of being sort of bumbler in the past. Historically he was late in being given notice that the revolution was going on back in 1952. Prior to that point he'd been in jail because of associations with Egyptian Arabs who supported the Germans. He was believed to be an interim candidate between two very powerful factions when he came to power as President after Nasser's death in 1971. He was not seen to be extraordinarily or particularly astute or wise except in fending off the Libyans and perhaps the Syrians too in terms of what they wanted to do. The fact that the Egyptians had achieved any success whatsoever suggested that things were different in Egypt. There was a new sort of political appreciation on the part of the United States for the nature of what occurred. The Israelis, who had lost 1600 people during the war, were bruised and feeling extremely ill at east about themselves and their own capabilities. They had been totally fooled. The first sure notice that there was going to be a war as opposed to the maneuver had occurred early in the morning. Golda Meir reported to Kenneth Keating that it was only in the early morning hours of the day of the attack that they realized that it was serious, there would be a war, and it would break out that day on the 6th of October. So something was different, and Sadat appeared to be more different from what he had seemed earlier on. Looking back on some of the things he said publicly, it was clear as a bell that he had intended this for a long period of time, absent any fruitful discussions that moved the political situation forward. There was no escape from this particular trap that he was in except by commitment to a military action for political purposes. Kissinger, I know, came away from his first meeting with Sadat with a very different impression than the way he'd gone in, as somebody he felt he could deal with and, most importantly, somebody far brighter and far more visionary in terms of strategic thinking than he had been led to believe. So, yes, sure, there was a change.

Q: When Kissinger was there, were you involved at all? Was this sort of logistics and that sort of thing?

HOUGHTON: There were seven or eight of us in the mission at the time the war broke out. By the time Kissinger was on his way we'd already had 20 or 30 advance people arrive, communications and everybody else, land on us one way or the other. All of us were involved at every level with one or another aspect of not only that one but every successive Kissinger visit that took place.

Q: A question I meant to ask: During the war you were talking about, everybody in the area was sending, I'm sure, NIACT (night action) or top-priority messages and all this, this happens, and there you are in a very small little thing. How about your communications and your communications people? They must have really been under the gun.

HOUGHTON: They were enormously overworked, but they're very capable. There were two groups of them: technical communications and State Department communications. I shouldn't say two groups; there were really three people but two principal ones. They put in long hours. They brought in a cot, and they slept in the communications area. Finally after about five or six or eight days, we kind of made sure that we timed our outgoing messages so that they would have had a nap at least one way or the other and some food. They were terribly important to us. We tried to bring other communications people in, and that didn't work for a long period of time. Let me see. The problem was that at a certain priority of message incoming bells go off, warnings go off, whatever it is, and they couldn't stay asleep. They'd have to process the message, then deliver it. There were some that you could do nothing about, that didn't have any action requirements for information purposes. They were between one post and State or State and another post, and they involved us as an information addressee, but still it would come in by very high priority in one nature or the other. The communications people were kept awake as a result of that. It calmed down after a while, seven or eight days, I think.

Q: The war ended by the end of October, didn't it, essentially a cease-fire?

HOUGHTON: Yes, about three weeks after it began, three or three and a half weeks.

Q: By the way, were Israeli planes flying over Cairo and all?

HOUGHTON: Not visibly, to the south of Cairo; further to the south near Helwan, yes, but we didn't see any directly over Cairo. There were no air raids that I was aware of. No particular sound went off. The only sounds you could see were the hyperactive civil defense contingent that painted all the windows of the major buildings blue so that they would not be visible in theory, although Cairo was lit up every night.

Q: I don't imagine you really ever went back to normal did you?

HOUGHTON: We were never at normal when I was there. It was always an evolving situation. Any particular period, year or whatever it was, was not like the year before. The war was a division, of course. Those of us who lived in the embassy, and I think me in particular because I was the political officer and the only political officer there. Instead of having to go out and find and develop sources of information, I found that I knew, by virtue of the change of the diplomacy that fell into the hands of the United States to be central to process, that I was being called by other embassies and correspondents and others who wanted to know things from me. I was no longer being shunned. I was invited to more parties than you could shake a stick at and, best of all, I could pick and choose and basically spend more time with my family as part of the result. I didn't have to work so hard to develop information. It was in my lap, and people were in the process of contacting me to try to find out what I knew. Sometimes this would be a problem. For example, we were, of course, required to be very careful about what we said with respect to

negotiating positions or strategy or developments of a nature like that. A colleague from the German embassy called on me and then finally after about 20 minutes he said, "You know, you're not telling me anything." I said, "I'm sure that's true. I'll do the best I can, but you're not asking the questions that allow me to give you full responses." He said, "Well, this is very unusual. We are NATO partners and we should be sharing more fully. Why aren't you doing that, Mr. Houghton?" I said, "I think you should contact your foreign ministry and ask them to consult our embassy in Bonn, or, better yet, Washington and your embassy there can go chase the State Department on this because I'm not at liberty to do so."

Q: Did the Kissinger's crew that would appear, did they sort of leave a residual staff there?

HOUGHTON: No. When Kissinger arrived, he had been preceded by advance and communication people including White House communication people who were in the act. There was a substantive crew who arrived with him on his own aircraft, and they all picked up and left after that. Nobody was left behind, but we were authorized to have an increase of staff of a significant number after that point. We began to add personnel. We took on a military attaché fairly soon. The military attaché can't function without at least one officer by his side and maybe somebody else.

Q: A master sergeant.

HOUGHTON: In time we had an ambassador, Hermann Eilts, and a DCM, and there was another political officer that was added. There were other people who came in over the course of the next three to four months.

Q: Was this official change, but were you still under the Spanish?

HOUGHTON: No, we had at that point resumed relations. We had a full ambassador and we had a new relationship with Egypt and we were now an embassy.

Q: When the Kissinger crew first arrived, as you say, you're the person on the ground. Were you at all involved in the process of people asking what's going on by this crew? Obviously you'd been sending stuff back. But did they tap you as a resource?

HOUGHTON: Yes and no. Yes to the extent I could give them logistic information, but they already had the sort of substantive sense of it. They had a purpose for being there, a discussion between Kissinger and Anwar Sadat and others in the Egyptian establishment that Sadat had designated. And that meant what they were truly interested in was where do we have to be at what time and how do we get there, what are the arrangements, and if it goes on for three hours, what does this mean, and if it goes on for six hours, what does that mean, and what other arrangements are being made in the process. It was purely an operational logistical matter that generated the questions. But in terms of what's the situation on the ground, the situation on the ground was what they could see. Egypt at the end of the war was intact and feeling very good about itself. It still had this problem with Israel and the city of Suez being surrounded by the Israelis, but they wanted serious conversation. They wanted to translate the military action that had taken place into a political process, and that's what we were supposed to be doing too. So it

was really a matter of what the local situation was was less important than what the strategic negotiating was. Events were going to be that would lead into whatever the next phase would come out of that.

Q: How long were you there after the war?

HOUGHTON: I left almost eight or nine months later in June, almost immediately after the Nixon visit, June '74.

Q: I assume the Nixon visit was a major event.

HOUGHTON: It was of enormous significance, and an enormous amount of work and effort went into it. Everybody expected a highly successful visit even though it was moving rapidly toward the end of Nixon's own period of office. He left office about three months later.

Q: From the perspective of Washington, the Nixon trip to Egypt and elsewhere was really what do you do when you're under pressure. You go off and....

HOUGHTON: For the Egyptians it was an enormously important event. It was the prestige and power of the United States that had come to their doorstep. It's what Sadat had hoped for in terms of delivery by the United States of a political event that really was a capstone of his own efforts to get us to wake up and recognize that the Egyptians had a serious issue that needed to be resolved with respect to the Israelis, and we were the people who had to work at it.

Q: When you look at it, unlike so many other wars, this war had a limited but very definite goal, which was achieved by the Egyptians, wasn't it?

HOUGHTON: They believed so, yes. It was not a military objective. It was a political objective to get the United States to act and act urgently to initiate a process that would resolve the outstanding issues between at least Egypt and Israel.

Q: While you were involved in this process, where you were, was there a concern, during the war or at that time, about a Soviet reaction or not?

HOUGHTON: Oh, at every level, sure. The Soviets were Egyptians' best supporters, and you will recall perhaps there was a moment when some of the technical equipment and monitoring equipment that we had had now begun to pick up nuclear emanations from one or two of the ships passing through in the direction of Egypt. That was alarming. It looked sinister. It sort of recalled the days when the Soviets had armed many countries, Cuba for example. It seemed to pose the thought of a higher level of military escalation that was possible. The Soviets were in a pickle, because immediately before the war began they had been asked to leave, they had been effectively thrown out in numbers. Their military contingent, the residual military contingent, must have been extremely small and no longer in the position of advice or even control that they felt they had previously during the period when they had basically put into place the Egyptian air defense system including multiple layers of missile plus anti-aircraft artillery defense. The Egyptians could handle it themselves. The Soviets were mostly moved aside, but they were

desperate not to be seen to have their gifts to the Egyptians, Soviet weapons, shown to be hollow in terms of their effectiveness and were very concerned that they continue to be seen as a supporter of Egyptian political interests in a sense. But their influence was dramatically reduced. In many cases they knew less of what was going on in Egypt than they had before. They certainly knew less about what the situation was in the area because their levels of representation in other countries of the Arab world were less with the exception of Syria and very small in Israel. So we had the better sources. Also, since we were the object of the attention of Anwar Sadat and, one presumes, Hafez Assad – I can't speak to that, but I assume that was part of his design as well – we were the people receiving the messages from the countries most directly concerned. The Egyptian presidency was involved in contacting us and talking to us about where we went from there.

Q: The Soviets have always made a big play about being a participant in negotiations, various peace negotiations, with Israel but never have been really.

HOUGHTON: Nobody wants to have them around.

Q: They were not as interesting.

HOUGHTON: When things are going badly, one Arab country or another will suggest that maybe the Soviets ought to be involved. When they're going well, nobody wants to see them.

Q: A Presidential visit to a country is equivalent to a major earthquake. From what you were doing, how did that go?

HOUGHTON: Well, it was a great ceremonial affair and involved events that went on in Egypt, which are mostly a blur to me at the moment, and then a sort of a final great series of discussions and events including a wonderful dinner that occurred in Alexandria. Everybody stayed at one of the palaces or castles along the seacoast in Alexandria, and it was sort of a remarkable event. The Egyptians, as I saw, went all out. They went flat out to make it clear that the President of the United States really was an earthquake to them, the most important thing that had happened for years. They went out of their way to make it clear that this was important to them, that the United States was a partner and they wanted us to be a partner in the future. Nixon was – I don't know what Nixon was. I'm sure that behind it all the background noise to his visit was the events of Watergate that were going along in the United States. But nevertheless he served the role that he needed to serve. It was a great ceremonial occasion.

Q: Did you find, after the war and before you left and we had established diplomatic relations and all, it was a different milieu for you to work in?

HOUGHTON: Oh, in every possible way, sure. First of all, the embassy had grown. I was no longer the only political officer in the embassy; there were others. And, guess what, we had an ambassador who was extraordinarily able in terms of his own background and experience.

Q: Hermann Eilts.

HOUGHTON: Hermann Eilts. He had a DCM who had no experience in the Middle East, but that's whom he wanted to have.

Q: Who was that?

HOUGHTON: John Kormann, whom he had met at Carlisle Barracks in Pennsylvania when he was there. Let me see. Somewhere along the line we were going to get a head of the political section, but we didn't have it then; we had a new political officer. As people came in, a lot of the work that I had been doing or I had on my table was being moved off onto somebody else's table. Our relations with the diplomatic community were fundamentally different because they looked to us to provide them with advice as to what we were doing. We became the sources of information rather than the supplicants for information. To the Egyptians we were it. We were besieged by people looking for visas day in and day out. Every kind of request under the sun the Egyptians could think of in terms of servicing themselves under the umbrella of the United States as opposed to the Soviet Union, they came to us for. The embassy was under lots of new demands and requirements. There was even a question as to whether the embassy should be moved to some degree, but that didn't go very far. The ambassador's residence: Sadat woke up one day and said, "I want the ambassador's residence" – the old residence that we had on the other side of the Nile – "for myself; therefore, we'll trade properties." [Inaudible.] There were some very complicated issues that came along as well. At some point it was perfectly clear that somebody was going to lay claim to my living quarters. That got very personal. When I arrived in Cairo, I was a second secretary level, FSO 5, and I was given a villa with a garden and a gardener, all paid for by the embassy.

Q: The rules were in those days – I know because I became counselor of embassy – as counselor of embassy you got a gardener.

HOUGHTON: I was low down on the rung. As long as we were very small, no problem, but the larger we got, the clearer it became that USIA's representative was going to come in and want the house back. Then I was going to be in much restricted living quarters in an apartment that was a quarter of the size in terms of floor space with no garden at all. That made it more distasteful to me. At one point the ambassador made it clear that he wanted me there but if I wanted to move on given the new circumstances, he would not only not stop me but he would try to find a place where he could recommend that I go. In the end I accepted that, and that's how in part his advice and support and recommendation allowed me to come back to Washington and get into the NSC. That was my next job.

Q: You came back in the summer of...?

HOUGHTON: I came back in June immediately after the Nixon visit in 1974. I had spent a couple of months here on home leave, burned that up, and had an interview with Brent Scowcroft, who was then Deputy NSC Advisor to Henry Kissinger. It was a perfectly good interview. He had a lot of other things to do, stacks of work running up two and three feet on his desk in terms of documents and so on and so forth, but he said he would get back to me by the end of the summer. I had not heard anything and was feeling rather discouraged that I had not, that there had been no movement. I finally called him, and he said, "Oh, yes, thank you for

reminding me. I'll be back to you immediately." Well, immediately turned out to be another month, during which I went back to Cairo and then was notified that I had been accepted for the number-two NSC Middle East position and then went back to Washington. I think I must have moved into that job in September or October.

G. NORMAN ANDERSON
Desk Officer, Egyptian Affairs, Bureau of Near East Affairs
Washington, DC (1971-1974)

Ambassador G. Norman Anderson began studying Russian while in the U.S. Navy. He attended graduate school at the Russian Institute at Columbia. He served in the Beirut, Germany, the Soviet Union, Morocco, Bulgaria, Tunisia, Sudan, and Macedonia. In addition, he served as Liaison with the Jewish community at the State Department in 1978. He was interviewed by J.P. Moffat on June 18, 1996.

Q: The Soviet Union/Eastern European and the Arabic speaking world came somewhat together in your next four or five years when you went to the Soviet desk and then the Egyptian desk. Can you give us an overview of what you worked on during these periods?

ANDERSON: On the Soviet desk I was involved in Soviet foreign policy, mostly in the Middle East, but also U.N. activities. I did many, many briefing papers during that particular time. Actually, when I shifted to the Egyptian desk it was something of a carry-over because Egypt at the time was very much under Soviet influence. I think there were something like 15,000 or more Soviet troops or technicians in Egypt at the time. Bases and missile systems had been installed. During the first part of my tour on the Egyptian desk, the United States only had an interests section in Cairo with a handful of people, but then came the 1973 war and, following that, peace efforts. Finally we did renew diplomatic relations with Egypt during that time. So, it was a very active period.

Q: During the shift to the Nixon administration were you on the Soviet desk or the Egyptian desk?

ANDERSON: I was on the Egyptian desk during much of that period.

Q: Did it have any effect at your level? Did you notice any changes?

ANDERSON: Of course, Henry Kissinger became Secretary of State during the time I was on the Egyptian desk, and I think that he brought in a very noticeable difference. He was quite interested in Egypt, and he made a great number of trips there. Also, President Nixon went to Egypt during the later part of my time on the desk. There again we, of course, did many, many briefing books. For the first Kissinger trip to Cairo, I think he did depend on us a great deal, but as time went on he neglected to report back what he was doing in Egypt. He probably found our input much less useful as time went on. But in any case, we did quite a lot of, one might say,

legwork for Kissinger. I remember one case in which he decided that the United States would donate a large sum of money to a charity being run by Mrs. Sadat. I was given the task of implementing this decision, which was not too easy to do, since there were all sorts of laws that were involved. It involved donating some surplus currency in Egyptian pounds to this particular charity, and that required a presidential determination that this was in our national interest. The decision thus had to be authorized by President Nixon. We sort of had to pick up the pieces as Henry Kissinger went through his diplomatic activities.

Q: Did he rely on alternate sources of wisdom as time went on or did he appear to do it entirely on his own?

ANDERSON: I think that he liked to have various analyses, but when it came to his own contacts with the highest levels he was the person who knew most about them. There wasn't much we could tell him about what had gone on in these contacts since we were not privy to the exchanges.

Q: ...expertise must have come into play when the Soviet/Egyptian friendship treaty was signed. Were you involved from both sides or from one side or the other?

ANDERSON: Well, we were asked to analyze the significance of this treaty. I was on the Soviet desk and Walter Smith, another Soviet hand, was on the Egyptian desk. The two of us put together our analysis and we agreed completely that we should not overreact to this particular friendship treaty. We didn't think it would have much practical effect. We thought it was mostly a propaganda move. However, our analysis was edited as it went up the line. The outcome was an analysis by our superiors that this was a much more dramatic development. By the time it ended up this was a tremendously important treaty. Actually, I believe Walter Smith and I were right about it because the whole thing fizzled out as time went on and eventually the Egyptians threw out the Soviet technicians and military personnel there.

JOSEPH N. GREENE, JR.
Officer in Charge, U.S. Interests Section, Spanish Embassy
Cairo (1972-1973)

Joseph N. Greene, Jr. was born in New York in 1920. He graduated from Yale University in 1941 with a B.A. degree. He joined the Foreign Service in 1942, serving in Canada, Algeria, Italy, Singapore, Germany, Nigeria, India, Great Britain, and Egypt. He was interviewed by Charles Stuart Kennedy in 1993.

Q: Moving on, why don't we hop over the Brandeis period, when you were Diplomat in Residence since it only lasted three months of 1971. What happened then?

GREENE: In November, 1971, I got a call from Joe Sisco who was Assistant Secretary for Near Eastern Affairs. They wanted me to go to Cairo to take charge of the U.S. Interests Section in the Spanish Embassy.

Nasser had broken off relations in 1967 when he was convinced the Americans were party to the Israeli attack on Egypt, and ordered that all Americans leave Egypt. Even before they all left, the ambassador at the time, Dick Nolte (who left before he even could present his credentials) was quietly told that maybe we could leave a couple of Americans in case they needed to talk to them. So there was always an Interests Section in the Spanish Embassy. By the time I got there, there were 22 of us.

Kissinger was still leaving the Arab-Israeli hornet's nest to Rogers and Sisco because he didn't see anything to be gained by involving the President in it. Don Bergus had been my predecessor and had incurred Bill Roger's wrath by trying to advance the cause of what Sisco had dreamed up as "proximity talks." calculated to get around the Israelis and the Arabs' refusal to speak to each other directly. The idea was to devise a system of dialogue in which they would be near each other, each talking to us or the British or the British and us. At one point in the summer of 1971, Bergus had responded to an Egyptian request for his views on what this all might look like with a memo on a sheet of a yellow pad. That was unwise because they promptly leaked it. That embarrassed the Secretary of State and the Secretary wanted Don to go somewhere else soon.

Sisco and the Department had picked Michael Sterner who was officer in charge of Egyptian affairs and a very able and intelligent officer to go to Cairo as the officer in charge of the Interests Section. One day, after Mike's farewells had begun, Bergus reported that Sadat's friend Hassanein Heikal, had protested that they weren't sending anyone of rank to replace Bergus. So Joe remembered there was at Brandeis a recent minister from the Embassy in London (although I was no longer a minister) and that seemed to appease Sadat. When Joe called me, I wanted to know what the assignment was all about and said that I wanted to talk to Joe and the Secretary. I was particularly keen to make sure the Secretary and I were on the same wave length.

When I got to Washington, I asked Rogers why he wanted me to go. I pointed out that I had worked on the Arab-Israeli problem in many other contexts but had never been there. The Secretary said that was the reason: He could assure both sides I had never been there and wasn't committed to either. I still treasure that frame of reference. I asked whether I should talk to Kissinger before I went, and both Rogers and Sisco said no. I finally got to Egypt in January 1972, after having stopped at the Sixth Fleet who assured me if we got in trouble they would come and get us out. Sadat would never receive me. He increasingly blamed all his troubles on Uncle Sam and our little mission. I was part of his problem. We had a rather routine time; occasionally a new idea would come along about how to get the Israelis, the Arabs, and particularly the Egyptians talking to each other. This included the proximity talks and a "Greene Paper" was thought to exist. It was believed that I had arrived with a new way of going about it. Well, I hadn't. In fact, that came later. When it did, I was instructed to show it to the Foreign Minister, Murad Ghaleb, but not to give him a copy. The Department didn't want to get sandbagged like they had sandbagged Don Bergus. I was told to tell no one else, not even the British about it. My first meeting with Murad Ghaleb was interesting and set a tone for my whole time there. He noted that I had never been in the Arab world before. I said no but was glad to be here. He explained that those in the western world have many art forms that they enjoy -- performing arts and graphic art. But the Egyptians were too poor for all that; their art form is rhetoric, it costs nothing. And he told me he was telling me that so that I wouldn't believe

everything I heard or read. I told him I was glad he warned me because I was a New Englander and in New England we say what we mean and mean what we say. And I told him I hoped he would remember that. I had evidence later in getting that straight and reporting it back that some of the people I talked to realized they had a Yankee there who took things literally and only said things he meant. Every once in awhile they would try and get me to talk about the Rogers Plan. I told the Foreign Secretary there was no good in our sitting there speculating about what I thought might work. I told him what my government's view was and that was the one they had to deal with. The proximity talks never got anywhere. The Israelis stonewalled all of that. The British learned about it and the British Ambassador Dick Beaumont was put out with me for not having told him. Of course, I had been told not to tell him and he insisted that he knew there was a Greene Plan. Joe Sisco never admitted that he gave it to them in Washington. If the State Department didn't give the Greene Plan to the British, I surmise they got it by reading the Egyptian telegrams.

It was becoming apparent that the Egyptians were becoming ever more uncomfortable with us and our president and not showing even rhetorical sympathy to their view of their relations with Israel. They felt Israel had to make some gesture of reconciliation, at least not keep getting so many high performance aircraft for their Air Force from the Americans.

Ismail Fahmy, Under Secretary for Foreign Affairs, called me in one day in April 1972 and said that President Sadat had decided that because we were not standing by the Rogers Plan, on which he had premised expansion of the Interest Sections in Cairo and Washington, the staffs thereof would have to be cut in half. By this action, Fahmy said, the Government of Egypt intended to signify its displeasure with the state of relations with the U.S. I asked whether they had anyone specific in mind; he said he would find out and let me know. Later, he told me they had no one in mind, but wanted to record their regard for the way I was doing my job. In any event, we had to go along, and I flew to Rome to meet Joe Sisco, on his way to join President Nixon and Kissinger at a Summit in Moscow, and Mike Sterner to decide who would be transferred from Cairo. It was a personally distasteful task, because everyone in the Interests Section was doing good work in difficult circumstances. After a little creative and political math with the Foreign Office, including redefining diplomatic functions, I got agreement that half of 22 was 12.

The May 1972 Summit produced a Salt Agreement and, among other things, an agreement that the U.S. and Soviet Governments would not let regional difficulties impinge on their relations with each other. The Egyptian Government was outraged at the thought this meant we would not try to help them with Israel. Soon thereafter, Hafez Ismail, Sadat's National Security Adviser, called me in to say he would no longer see me, I should confine my contacts to the Foreign Office. (The exact chronology of all these things should be checked against the record; my memory may be a bit off.)

I had reported both then and later at a chiefs of mission conference in Tehran in April or May 1972 that one of Sadat's senior political associates who was not in the government (so I could see him once in awhile) had called me in. He said the situation was getting intolerable for the Egyptian leadership both militarily and politically; they had over a million men under arms in the Army and the Air Force, sitting in the desert with nothing to do. They were getting restive and if the U.S. couldn't change their rhetoric, change the situation along the Suez Canal and get Israel

to show some accommodations, Egypt would have to attack Israel. I said that would be folly. Egypt believed the alternative for them was a rebellious military who if not permitted to turn on Israel, would turn on their leaders in Cairo. He said he knew that because they were there once. I remember when I reported that at the chiefs of mission meeting in Tehran, the then newly appointed Under Secretary of State Kenneth Rush was impatient. Not only me, but the same restiveness and acute discomfort was being reported from Amman and Jeddah. We suggested that we didn't have to do much if we could just change the rhetoric and do it with mirrors and smoke. The answer was, "Joe, I guess your colleagues out here want the Administration to exchange one set of irritants for another. What's next on your agenda?" That was the way our political leaders looked at this very dangerous problem. They couldn't believe that there was going to be a war.

Henry Kissinger set up separate communication with his opposite number, Hafez Ismail. I didn't know anything about it. He did it through the young fellow who was station chief on my small staff. One day the Saudi ambassador invited me for tea. The other guest at tea was the Saudi king's national security advisor, Kamal Adham. They had got wind from the Egyptians that Kissinger had some chain of communication with Sadat. They wanted me to tell them about it. I told them I didn't know anything about it and couldn't imagine that would be going on because things were at such arm's length. Well, when I reported all this, Washington told me to mind my own business. It was the way Washington said it that whetted my curiosity. I called in the station chief and told him I had the impression that something was going on in communications that I knew nothing about. He told me he couldn't enlighten me. I rephrased my question and he said he could not answer that. I then wrote a telegram to Bill Rogers with no distribution, for your eyes only, to let him know something was going on that I wasn't informed of. I asked him why we were doing it. That telegram was the first Bill Rogers knew anything was going on. And Henry Kissinger was angry with me for not keeping quiet. He wrote up this episode in his memoirs The White House Years. He commented that Greene was not in an enviable position. He told me later he had memorialized me in his book.. That was the only instance of that kind of rebelliousness by the Foreign Service to his secret way of operating mentioned in either of his books. He chose that story to illustrate how some of the Foreign Service didn't like what he was doing. He remembered some of the facts differently from me but I can't say he was mean spirited about the way he recounted it.

I had actually gone to the chiefs of mission conference in Tehran from New Haven, Connecticut. The then President of Yale Kingman Brewster, whose classmate I had been as an undergraduate, had asked me if I would like to be director of a new study center, a think tank, he was setting up in some property that was left to Yale by Agnes Meyer, widow of Eugene Meyer. I thought it sounded good and just had to return to Cairo to clear it with my wife. So, I had somewhere to go and was less concerned about Joe Sisco or Henry Kissinger. In June, Yale announced I was leaving. I was happy to have an option to leave.

Later, as we had predicted, the Egyptians attacked Israel across the Suez Canal on Yom Kippur, 1973. Ultimately, the Israelis were persuaded to stop their counter attack at the Suez Canal, on the grounds that it would do no one any good if Sadat fell.

One more short intelligence vignette:

I learned later after I was back in the Yale family, the Spanish ambassador was called in and told by Foreign Minister Zayaat, before the Yom Kippur war in 1973, that Marshall Wiley was really intolerable and that if the Americans didn't move him, they would declare him persona non grata. He was in charge of the mission after I left, and he was very preemptory and contemptuous of some of the Egyptians and didn't take trouble to conceal it always. That left Dick Smith in charge when the Yom Kippur war broke out. He later told me when the fighting had stopped and Kissinger had begun his shuttle diplomacy, after his sessions with Sadat, Kissinger would come back to the ambassador's residence to debrief the staff. Sadat's then National Security Advisor took Ambassador Hermann Eilts aside one day and told him one really had to be more careful after your man sees Sadat about what you talk about at home. That was correctly interpreted to mean the bugs were still operating but President Sadat had lost control of the tapes. We had never been able to find the bugs while I lived there. Whenever I talked to the Egyptians or anyone, we went out in the garden. Eventually they found the bug, it was voice activated and right over the mantel piece in the living room. We were always bugged and watched. After the dreadful murder of the ambassador and DCM in Khartoum, the Egyptians reluctantly let us send in a military plane with Bill Macomber on it to try and negotiate for their release before they were killed. What we didn't know, the minute President Nixon said we weren't going to knuckle under, the Black September gang murdered the ambassador and his deputy in the basement of someone's embassy in Khartoum. The Egyptians didn't even want to be a party to our sending a military aircraft carrying a peace maker through Egypt. We finally, got them to do that, and all they could do was bring home the bodies. But it was that tender and sensitive.

CLAUDIA ANYASO
Egypt Cultural Exchange Officer, Bureau of Education and Cultural Affairs
Washington, DC (1973-1978)

Ms. Anyaso was born and raised in North Carolina and was educated at Morgan State University and American University. She joined the State Department in 1968, where she specialized in Education and Cultural Affairs, with particular regard to African countries. She had several tours in Washington as well as abroad. Her foreign assignments include Lagos, Abuja, Port-au-Prince and Niamey, where she served primarily as Cultural and Public Affairs Officer. Ms. Anyaso was interviewed by Charles Stuart Kennedy in 2009.

Q: Back when you moved to Egyptian Affairs...

ANYASO: Yes

Q: ...this would be Nasser time still wasn't it?

ANYASO: No, this is Sadat.

Q: This is after...

ANYASO: This is Anwar Sadat and relations were reestablished in the '70s so this is the late seventies.

Q: In the '70s okay.

ANYASO: And Kissinger is doing his shuttle diplomacy and he is setting up these binational commissions like Johnny Appleseed did with apple trees he is setting up these binational commissions. When I was working with Egypt he set up a binational commission with Egypt. Now, of course, he is at the foreign ministerial level but then they had different working groups and they had an education working group which our bureau, our deputy assistant secretary I think it was Bill Hitchcock at the time, our deputy assistant secretary was chairing the working group. Well he, of course, doesn't do the work, they have to have a worker bee work with them so I was very pleased to be the working group bee to work with him to welcome exchanges of Egyptians to the United States. I remember the head of Cairo University came, there was an education group that came to the United States, and I was helpful, happy to program them while they were in the United States. I remember taking them to the 8th floor of the State Department on the other side where we have the Ben Franklin room and all of this.

HERMANN FREDERICK EILTS

**Ambassador
Egypt (1974-1979)**

Ambassador Hermann Frederick Eilts was born in Germany in 1922. He received a B.A. degree from Ursinus College in 1943 and an M.A. degree from the School for Advanced International Studies in 1947. Ambassador Eilts was a First Lieutenant in the U.S. Army from 1942 to 1945. He joined the Foreign Service in 1947, serving in Iran, Saudi Arabia, Yemen, England, Libya, and Egypt. Ambassador Eilts was interviewed by William Brewer in 1988.

Q: After you left Saudi Arabia in 1970 you were assigned for three years as Deputy Commandant to the Army War College in Carlisle, Pennsylvania and then you were named to Cairo. What exactly were the circumstances of your appointment, because I believe we did not have a full Embassy in Cairo at that time?

EILTS: No. Since Nasser broke diplomatic relations with the U.S. in 1967, we maintained an United States Interests Section, as it was called, which was under the Spanish Embassy. The Interests Section had initially consisted of 14 people. But when I arrived in Cairo in November '73 -- early November -- the number was down to seven. Sadat had reduced the number from 14 to seven. We were still in our Embassy compound, but we were not using most of the buildings. Around its perimeter walls were Spanish flags, and a Spanish flag flew over the compound. Now, during the October of '73 Arab-Israel war, Kissinger had undertaken a mediation effort. It had, I must admit, been conducted in a fashion where the Israelis were given the opportunity to take a bit more land in terms of timing when the ceasefire would go into effect. But,

nevertheless, he had done this, and he made his first trip to the Middle East in early November. Kissinger had been named Secretary of State just six to eight weeks before that time. He found that Sadat was much more disposed to work with the United States than even he had anticipated. He knew that Sadat was interested in improving relations with the United States, but that Sadat was willing to accept some of the ideas that he put forth, which had really come from Golda Meier, surprised him.

In any case, out of that first visit came an agreement between Kissinger and Sadat that the diplomatic dialogue between the two countries would be elevated to what was called in the communique, Ambassadorial-level. This did not mean that Sadat was reestablishing diplomatic relations, but persons of Ambassadorial rank would be in each other's capitals. I was named to Cairo and Dr. Ashraf Ghorbal, who had been head of the Interests Section -- Egyptian Interests Section -- in Washington for a number of years, was given Ambassador rank in Washington. It was understood at the time this happened that Kissinger would make an effort to achieve a disengagement agreement, something that was finally done in January of '74, i.e., three months later, and has come to be called Sinai I. Once that disengagement agreement was implemented, then there would be a formal resumption of diplomatic relations. Nobody knew how long this would take, but that was the general idea. So I went to Cairo. I received formal notification, I guess it was on the 7th of November, although Kissinger had told me he wanted to do this. He had called me down from Carlisle a week before he left to tell me about it. I got the message in Carlisle during the day that I had been named, that the White House had named me, and that night also received a telegraph message from Kissinger, who was flying at the time from Cairo to Pakistan, asking me to get on an Air Force plane and meet him for breakfast the following day in Islamabad. And so I did that. The initial idea was that I would then come back from Islamabad to Carlisle and pack up. When I got to Pakistan -- to Islamabad -- and had a very brief breakfast with Kissinger, from whom I learned nothing about the status of things in Cairo, he said, "Instead of going back to Carlisle, go directly to Cairo." So I arrived in Cairo just three days after I had left Carlisle, by way of Islamabad, and took over the U.S. Interests Section there. I was still under the Spanish Embassy. The Egyptians were very, very careful not to take any protocol actions that would suggest they were resuming formal diplomatic relations with the U.S. But at the same time it was obvious that they wanted higher level dialogue.

I was called to the Foreign Minister, Ismail Fahmy, almost the first day I got there for a long talk. And from that time on I saw him almost daily. I did not meet Sadat until about two weeks after I was in Cairo, that's when the first meeting was arranged. By then -- this was the period when there were difficulties over the ceasefire, the Israelis would not allow relief trucks to go through to the Third Army -- carrying sweaters, things of that sort. By the end of two weeks, however, while those problems had not been entirely resolved, the Egyptians apparently felt enough progress had been made that they arranged a meeting for me with Sadat. From that time on I saw Sadat, as well as Fahmy, regularly. Secure telephone connections were established by the Egyptians so that Sadat or Fahmy could get me anytime and vice versa.

I guess the one thing that has always puzzled me a bit in those early days -- my instructions from Kissinger, given to me in Islamabad, were, "Don't say anything to the Egyptians if you get an instruction, don't say anything to them, until you've first told the Soviet Ambassador." So in the period of the first several days, every instruction that I received, and we were getting NIACT

messages, FLASH messages, all the time on all kinds of matters, and sending them out also (which with that tiny staff was somewhat difficult) I had to tell the Soviet Ambassador, a man named Vinogradov, first. The result of this was that every time I went to see Fahmy to make whatever representation had to be made, on the basis of an instruction, I had already told the Soviet Ambassador about what I expected to say, and I subsequently found that he had been in to see Fahmy first and had for all practical purposes told the Egyptians about the United States position and very often in distorted form. It was a lousy way to operate. I finally complained bitterly in a message to Kissinger saying, "This isn't going to work. I understand that you want to retain good relations with (Soviet Ambassador to the U.S.) Dobrynin, [which is why he had done it], but let me convey to the Egyptians on my instructions first and then tell Vinogradov about them, rather than the other way around." I finally did get approval from Kissinger to do that. But it was a rather strange way to operate initially. Vinogradov, who had been there for years, and enjoyed the prestige of long standing Soviet support for Egypt, had entree to everyone. The new American Ambassador, not yet with a full Embassy, or formally recognized as such, still operating under the Spanish flag, with a considerable element of distrust of United States purposes, was still prevalent.

One thing that worked in our favor was that the Egyptians, encouraged by the Egyptian government prior to my arrival there, spread the word that the United States would shortly provide huge quantities of economic aid. As a result, all of Egypt's economic problems would be resolved. So that gave me an Egyptian public reception that was much more positive than the governmental reception, except in the case of Fahmy and the Foreign Office and Sadat. Other Egyptian officials remained suspicious and uncertain for a good many months and limited themselves to formal contacts with the new American Ambassador.

Q: One of the most dramatic periods in recent U.S. foreign policy occurred while you were in Egypt in the position you describe as Ambassador. I refer to the so-called shuttle diplomacy of Henry Kissinger which produced the accords known as Sinai I, and then one having to do with the Golan in Syria and then Sinai II in 1974 and 1975. I wonder if you would like to comment on your role and your assessment of this activity?

EILTS: The Sinai I disengagement agreement took place in January of '74. It followed a very brief meeting of the so-called Geneva Conference that had taken place a few days before Christmas of '73. The ceasefire resolution that the United Nations had passed in October of '73 had called, among other things, for convening an international conference to try to settle outstanding matters between Israel and the Arab states, Egypt among them. It was with that thought in mind that efforts were made between the end of October-November and the end of '73, to get such a conference going with the Soviets and the United States as co-chairmen. There was a difference of view between the Soviets and the United States on how the conference should be organized. The Soviets did not want the United Nations Secretary General involved. In that respect their position was very consistent, very close, to that of Israel. We didn't care about UN involvement, but the Arabs wanted UN involvement so we went along with that to make it a little easier for Sadat. A conference, as I've said, was eventually held in Geneva, just before Christmas of '73.

We thought in early December that we had Syria's agreement to go to that conference and

participate. This was after President Assad had visited Cairo in early December. At that time Egyptian Foreign Minister Fahmy called in the Soviet and American Ambassadors, jointly, and said, "I'm speaking in behalf of the two presidents. Both countries are prepared to go to Geneva on the following understandings and listed them. You set the dates for the conference." The conditions were frankly those that we had proposed. The Soviets were unhappy about them, but they were anxious to get to a conference. Hence they swallowed their doubts and agreed to go. When Assad got back to Damascus, he reneged on this and subsequent efforts on the part of the Egyptians, who sent their Minister of Defense to Damascus to urge Syria to participate, did not cause them to change their minds.

But Geneva did take place. It was largely a pro forma session with most parties present. The Egyptians, the Americans, the Soviets, the Israelis, the Jordanians all expressed their views. There were no Palestinians there. Then the conference was adjourned with the intention of reconvening early in January, '74, after the Christmas holidays.

It was in the period after the adjournment of the Geneva conference, in early January, that the United States, as a result of both Israeli desires and even Egyptian desires, persuaded the two governments to scuttle the international conference idea, and to opt instead for an unilateral American effort to settle the issue. So, when January '74 came, Geneva did not reconvene. Instead, Henry Kissinger came out and began a ten-day shuttle effort, out of which came Sinai I. Sinai I was a very limited disengagement agreement. It called for Israeli forces to leave the canal. They were already, of course, away from the canal as the result of the October war, the Barlev line had been breached, but they now moved back a bit more, a very short distance and a small Egyptian force was allowed to deploy on the eastern bank of the canal. A United Nations emergency force was interposed between the Israelis and the Egyptians.

I remember when that agreement was signed. Every one of Sadat's advisers was bitter about it. They felt that what Egypt was gaining from it was incommensurate with the sacrifices that it had made and the successes, at least as they perceived them, they had had in the October war. Nevertheless, even though Sadat himself was also disappointed at the modest gains that he had gotten from Sinai I, he worked on the basis that, "By accepting a little now, the United States will remain engaged and I'll be able to get more later." So he overruled all of his advisers and accepted Sinai I. It took a period of roughly six weeks to implement the withdrawal phases for the Israeli forces and to position UN forces between the Egyptians and Israelis. By the 28th of February of 1974, all of this had been completed and, on that day, in accordance with what had been agreed upon, formal diplomatic relations were resumed between the U.S. and Egypt. The Egyptian Foreign Minister, Fahmy, came to the American Embassy compound and was present when our flag went up again and formal diplomatic relations now again existed. We were no longer part of the Spanish Embassy.

Another part of the effort on the American side was to persuade the Saudi Arabian government and the other Gulf oil producing states, who had at the beginning of the October War imposed an embargo on the United States, to lift the embargo. Kissinger pointed to Sinai I as evidence that "the United States is now involved and so you should lift the embargo." Interestingly enough, for a brief period of time, the 18th, 19th, 20th and 21st of January, we thought we had Faisal's agreement -- now that Sinai I had been signed to lift the oil embargo. But Assad intervened with

Faisal and insisted that the embargo not be lifted until and unless there was also a Golan disengagement. This required Kissinger to do something that he really would have preferred not to do, that is to try to negotiate something with the Syrians and the Israelis. But by April of '74, since we were unable to persuade the Saudis and other, even with Sadat's help, to lift the oil embargo, Kissinger engaged himself in Golan efforts. That was much more difficult to obtain than the Sinai I agreement. It had taken ten days for Sinai I, including a day's trip to Luxor sightseeing. In the case of Assad and Golan I, it took 31 days, and a lot of effort on the part of the Egyptians to persuade the Syrians. Eventually, however, a disengagement agreement was signed, as Golan I, in early May.

Now with that the question arose, "what about Jordan?" It was Kissinger's hope that he might try another disengagement agreement between Israel and Jordan on the West Bank, but then would not have to do anything for a time with respect to a second disengagement agreement for Egypt. By that time, however, Sadat, who had been criticized and continued to be criticized by the Arabs for the modest nature of Sinai I, felt a second disengagement agreement for Egypt was necessary. People were beginning to say the United States was planning to freeze the situation with these modest Israeli withdrawals, hence Sadat should press the U.S. to do something more. Sadat was saying to us, "No, I've got to have something also. I have no objection to Jordan, of course, getting a disengagement agreement but it has got to happen again with us as well." That faced Kissinger with the problem of what to do. In a sense it was made easier for him when the Israelis indicated to him that the most they were willing to do for Jordan was to give up six kilometers in the West Bank, hardly up to Jericho. That was so minor an area that it was hardly a meaningful agreement. So an agreement with Jordan was ruled out. In a sense that was one of the great mistakes, as I look back, that we made. It opened the way to the subsequent decision at the Rabat Summit Conference in November '74, to naming the PLO as spokesman.

In any case Kissinger then decided that the focus would again have to be on Egypt, but we were in no hurry to do so. Although Sadat was anxious to get something done, we had promised the Israelis, who had said they needed time to absorb the losses they had sustained, the things they had suffered, the psychological blows of the October war and of the Sinai I disengagement agreement, that we would not rush into a second agreement. So we were doing nothing.

I say, "nothing", but we went through some postural proceedings. President Nixon came to Egypt in June of '74, a big affair, and promised military and economic assistance. A month later, Bill Simon, Secretary of Treasury, came out. The Egyptians were constantly expecting the famous economic package for which they hoped. Simon did nothing on that score.

So by the time August-September came around, the Egyptians were showing signs of disillusionment. No further progress on peace had taken place. Is the situation being deliberately frozen, was the question that was being asked. No U.S. economic aid nor military aid had yet appeared. Nixon left office because of Watergate. A new President, Ford, came in. By the latter part of the year the Egyptians were very upset. In October of that year, i.e., '74, the Soviets invited the Egyptian Ministers of Defense and Foreign Affairs to Moscow. The Soviets were by then furious, of course, about having been excluded from Sinai I and Golan I. They now dangled all kinds of military assistance and economic assistance before the Egyptians. The Egyptian ministers came back with their mouths drooling, but the Russians said, "We will not sign

anything until and unless Brezhnev comes to Cairo in January -- January '75, a few months later, and you Egyptians agree that no further peace talks will take place other than in the Geneva Conference forum." In other words, scuttle the American unilateral effort and go back to the multilateral Geneva conference.

Fahmy, the Egyptian military and other senior Egyptians all strongly urged Sadat to go along with the Soviet proposal. The prospect that he might do so in November, that is to go along with it, i.e., make such a commitment to the Soviets, forced the Ford administration to decide to go ahead even though Israel had not yet had the time that it said it needed to absorb the psychological shocks it had experienced. We made a proposal to the Egyptians that Kissinger would come out in December of '74 for a quick trip through the area, go back home, and then come out again in March -- several months later, the end of February, early March -- to begin a second shuttle effort. There were two elements that initially affected the Egyptian views. First, public pressures on Sadat that you can't trust the Americans, so no, let's go back to Geneva. Second, none of the promised U.S. aid had come.

The other was, "All right, let's for a moment say that we want to work with the Americans, accept their view. Why this two stage thing? Why, if Kissinger is coming out in December, cannot he start the shuttle immediately?" Well, the reason was the Israelis were not yet conditioned to a renewed shuttle effort. In any case, the debate lasted about a week as to what the Egyptians would do, and it finally took a letter from President Ford to Sadat saying, "I'm asking you to continue our unilateral effort, to turn the Soviets down." This time, he again overruled the advice of his Ministers, and went along with our proposal, but with grave reservations. Kissinger came out, made the rounds of Middle East capitals, went back, and in March of the following year ('75) did begin a second shuttle effort. By that time, he thought he had Israeli agreement to give up the oil fields in the Gulf of Suez, and to move back in Sinai to the Gidi and Mitla Passes.

Q: To the Passes, not beyond them.

EILTS: The question of exactly who would hold the Passes was left vague. So he came out and we had in the meantime made efforts to obtain some Egyptian political concessions. I had had instructions to try to persuade Sadat to make certain political concessions. He was very doubtful about doing so. In the negotiations that Kissinger conducted on the second shuttle effort, some of these proposed political concessions were again raised, including one point on renouncing belligerency. He was not prepared to do so, but agreed that a declaration of non-resort to war was acceptable. In any case, to Sadat's chagrin and to Kissinger's even greater chagrin, it turned out that on his last trip in the shuttle effort to Israel, the Israelis, whatever someone may have told him earlier, were not prepared to give up the oil fields. Nor were they prepared to withdraw to the Mitla and Gidi Passes. Hence Kissinger had to call off his shuttle effort and go back to the U.S. He was furious and blamed the Israelis for the impasse. In all fairness, they were responsible. This was a critical period. The question arose in Egypt, "Isn't this evidence of the fact that Sadat in putting so many eggs in the American basket, has made a big mistake? No one was quite sure how the Egyptians would take the collapse of the shuttle effort. Sadat took it much more calmly than one would have expected. By then, the Congress had voted \$250 million dollars (in late December) for economic aid. That was not very much, but it nevertheless was something. There was as yet no military aid but Sadat continued to hope that the U.S. would

eventually work out a second disengagement agreement.

Out of this, for the United States, came the so-called reassessment of Middle East policy, which was really aimed at Israel. It lasted about three months, from March well into the summer months. During that time, I was instructed to come to Washington and to take Israeli positions and take them back to the Egyptians, go back and forth and convey Egyptian positions to Washington to be passed on to the Israelis on things such as, "Where are the Gidi and Mitla Passes?" The two passes were rather long, where and to what point in the Passes would Israeli troops withdraw, and other arrangements on political concessions. I did that for a period of four months. I guess I must have made 20 trips back and forth between Cairo to Washington during that period.

Q: I'm not clear. Why did you have to go to Washington every time?

EILTS: That's the way Kissinger wanted to handle it. He would get the Israeli views through (Israeli Ambassador) Dinitz in Washington, and he wanted to handle exchanges there. So he summoned me and I would go back and forth between Cairo and Washington carrying Israeli and Egyptian positions. It was a terribly laborious job.

Q: The Israelis didn't have to travel.

EILTS: They didn't have to travel at all. In any case, by the beginning of August the situation had changed. By then there had been Senate and Congressional pressure on the administration to lay off Israel. In other words, "this reassessment of the Ford administration, don't take it out on Israel." So Kissinger's reassessment idea, as a pressure device against Israel, was not working that well.

Q: Excuse me if I'm breaking in, but that's very interesting that the Congress should have...

EILTS: We had the letter of the seventy-six Senators sent to Ford saying that Kissinger seemed, in his Middle East reassessment, to be blaming Israel. The Senators' message was loud and clear: lay off Israel.

Q: Was there any evidence in the Executive Branch that this was in any way stimulated or this was simply the concern on the part of elected members of the government?

EILTS: Well, the suspicion was that it was stimulated, that the Israelis used their assets with the Congress to get this kind of a letter sent, but obviously in our governmental system such a letter is a very potent thing. So that placed more emphasis on renewing the quiet effort to bring the parties' positions together. By early August, Kissinger had concluded that the Israeli and Egyptian positions, while still apart, were close enough that he could risk another shuttle effort. And by then he had a firmer commitment from the Israelis that they would give up the oil fields. Not the two new fields that they had drilled, The Alma fields, but the ones that had existed before the '67 war. They had also agreed they would go back to the passes. We then got involved in determining just where the passes were divided and things of that sort but these were manageable issues. In early December '75, Kissinger again began a shuttle effort and this time it

worked. He negotiated the Sinai II agreement, which was signed in mid-September.

Kissinger needed an agreement. He had failed in March of that year so he desperately needed an agreement for his own reputation. Sadat also needed an agreement for the same reason; he, too, had failed in March and Egyptians were again questioning the wisdom of his policy of working so closely with the United States. So Sadat was willing to make some political concessions in order to obtain an agreement. Israel, while it may very well have wanted an agreement, didn't need it. Hence, Israel had leverage on the United States in order to get concessions from the United States as the price for an agreement. One of these concessions was the Kissinger memorandum, the famous Kissinger memorandum to the Israelis, that said, "We will not talk to the PLO unless they recognize Israel, and recognize UN Resolution 242." Initially we never told the Egyptians about this memorandum. When they began to hear reports of it, information on exactly what had been said was simply dribbled to them by Kissinger in incomplete form. They were furious about it, absolutely furious, because they, as you might imagine, wanted the PLO in the negotiating process at some point. By then, however, the Sinai II agreement was signed, and there was very little they could do about it. The Sinai II agreement was in fact implemented over a period of time. The Israelis retired to the passes. The oil fields were returned to Egypt. Arrangements were made for Egyptians and Israelis to use a single road in the lower part of the Sinai near the oil fields. And, generally speaking, the implementation of Sinai II, from a technical point of view, went well.

Q: Would you say, looking back on it, that as some have charged, the Sinai I Accord would make good sense, it was a disengagement agreement, but in the Sinai II Accord the price paid by the United States Government, particularly in such a servitude as that mentioned, the memorandum having to do with the PLO, made it perhaps too costly in terms of long-term U.S. foreign policy?

EILTS: I think it did, and I'm not thinking about either military or economic aid to Israel, that would have happened anyway. But in terms of tying our hands vis-a-vis the Palestinians, from that point on our hands were tied. We could not talk to the Palestinians, at least not formally on political matters, unless they issued such a public statement. That is, accepted 242 and the right of Israel to exist. The demands were not necessarily unreasonable, but to expect the PLO leadership to come out with a public statement of that sort when Israel was rejecting the PLO, was perhaps more than we should have given. From that point on our greatest vulnerability in pursuing an effective mediatory role in the peace process was our inability to have dialogue, real dialogue with the PLO. I'm not talking about consular dialogue, or security dialogue, but political dialogue. And that continues to be our greatest liability, in my judgement, on all of this.

The Israelis got exactly what they wanted. They not only got military and economic aid in larger amounts, but they received a commitment from the U.S. that henceforth we would not deal with the PLO. And they knew that the PLO leadership was not in a position to make the kind of statement that they were insisting upon. So they effectively excluded the PLO from future negotiations and by doing so they hoped to constrict the Palestinian aspect of the Arab-Israeli problem to West Bank-Gaza Palestinians. That has, of course, been the focus ever since, i.e., to get West Bank-Gaza people to be the representative Palestinian, and to consider the PLO, the expatriates, as unacceptable participants and to have nothing to do with them.

Q: Well, that was the essence of the Kissinger shuttle diplomacy.

EILTS: Excuse me, may I make one point? Kissinger always argued when he subsequently tried to explain to Fahmy and to Sadat the significance of the memorandum that it did not tie our hands. He contended that, if we reached a decision that we wanted to talk to the PLO, that the PLO leadership was sufficiently constructive in its views that we wanted to talk to them, all we had to do under the memorandum was to tell Israel, speak to Israel, that we planned to do so. The decision to do so, he argued, was entirely ours. We would assume that they would object, but if we wanted to do it, we could go ahead. In other words, all that was required was a kind of consultative process, with Israel, but a consultative process in which we retained discretionary right to make the decision. That was his professed view. It was a little disingenuous, but theoretically under the Ford administration, with Nixon there, that could have been done. That was the way he, at least, explained it. The Egyptian leadership was not persuaded.

When we got to the Carter administration, which was a very legalistic administration, with (Secretary of State) Cyrus Vance a lawyer, it read the Kissinger memoranda in much more strict constructionist terms. The Palestinians had to make a public statement consistent with the Kissinger memorandum. Vance believed that we had no choice if they didn't make a statement of that sort; that we had no discretionary authority to scrap the agreement. So in that sense, although Kissinger always claimed that the agreement gave us much more discretionary authority if we chose to exercise it, the Carter administration read the memorandum in more legalistic terms and binding. Kissinger was always paranoid on Palestinians and he would not have done anything about talking to the PLO, but he argued the memorandum gave us flexibility to do so if we wished. But subsequent administrations read it differently.

Q: Well you had, of course, over the years, very close contact with Secretary Kissinger. He was a distinguished Secretary, but also I think a controversial Secretary. I wonder if you would have some comment on your observation of his style of operation?

EILTS: I have great admiration for Kissinger. I had my encounters with him. I twice resigned on him, once almost at the beginning on one of his early missions, and once later during Sinai II, because I disliked the way he was doing things. I guess I'm one of the few Ambassadors who did stand up to him, and somehow he did not resent my doing so. He seemed to respect it and I was then one of the few Ambassadors whom he never criticized. He was utterly merciless, however, in talking to other Ambassadors, some very senior Ambassadors. His handling, his treatment of them publicly, was very often shameful, but that never happened with me. Somehow my two resignations seemed to have had some effect on him.

Working with Kissinger was intellectual fun. He had a quick mind. He could come up with ideas. He was a conceptualizer, which was very important. He looked down the road in terms of where we should be going. Whether we got to that point is something else, but it was fun working with him, in an intellectual and a policy sense. Also, in that context, when suggestions, proposals, were made to him -- when I made them to him for example -- I had a great many of them accepted. We've all been in the Foreign Service long enough that you know you don't win them all, but I found I could have an influence on Kissinger.

With the tiny Embassy that we had in Cairo (ten people), even after we became an Embassy our numbers did not increase by more than three or four, we accomplished a great deal. I was a bug on keeping the Embassy small, and I had the good fortune to have superb people, every one of them was just outstanding. Kissinger thought the world of my staff and rightly so. They really did remarkable feats in Aswan during the Sinai I negotiations. Thus, although Kissinger could drive you mad, working erratically day and night, nevertheless, in an Embassy such as ours which was always responsive, he was one of the great supporters of that mission. And all of my people...I arranged in due course they got the kind of assignments that they wanted, always with Kissinger's strong support. That was a positive thing.

I guess the fourth thing I'd say is that his negotiating technique was largely one of telling each party, as he went back and forth, I won't say half-truths, but just half of the story and keeping the other half to himself. And then, at the appropriate time, he would dribble additional bits of information that might not be particularly palatable, but by that time there had been agreement on the earlier half of his proposal. So it went back and forth. While this procedure sometimes offended my sense of integrity, and I do not say that he was not a man of integrity, but my own sense of how things should be done, I have to admit it was a very effective way of operating. And I agree with the comment that you made a few moments ago, he was an extraordinarily able Secretary of State.

The greatest criticism I have of him was his sense of paranoia. He persisted in seeing practically the whole State Department, or most of the people in the State Department, as people whom he could not trust and therefore excluded on so many, many things; not just Middle East matters but others as well. I regard our State Department colleagues, with rare exceptions, as one of the finest and ablest and most knowledgeable bodies of officers that we have in the U.S. Government. He insisted on working with a very tiny group. If you were in that group, then you had access to all information. If you weren't, then you were practically an outsider. That was a mistake because when he came in as Secretary of State, all kinds of officers in the State Department were delighted. They were finally getting a leader whom they could follow. Then, to find themselves excluded, created disillusionment. I always thought his attitude was a mistake, but he contended most State Department officers were not loyal to him.

Q: After the end of the Ford Administration, President Carter was elected and, as you indicated earlier, the contest for influence between the Soviets and ourselves in Egypt was a significant element in your time out there. In October 1977 one of the first things that the Carter Administration did with respect to the Near East, was: it issued a joint statement on the Mid-East with Moscow. What was the reaction to that in Cairo and why did we get involved in that?

EILTS: From the time the Carter Administration came in; that is, in the beginning of '77, almost a week or two weeks after Carter took over, Carter decided two things: 1) he was going to give the Middle East problem, which had been on hold throughout '76, high priority; 2) he was going to go for a comprehensive settlement, which meant scrapping the step by step approach and going back to the Geneva Conference. For the better part of '77, therefore, from the moment Carter took over, he tried to put into place a number of building blocks to get us to Geneva by the end of that year. Sadat was delighted about the comprehensive approach. The Israelis were not that happy, but Peres was Prime Minister initially, and he reluctantly went along with it.

One of the building blocks was talking to all of the leaders, Israeli and Arab, about the conference and how the conference would be shaped. Out of those various talks came an agreement on a Syrian proposal that there would be a unified Arab delegation, not individual Arab national delegations. Now, Sadat initially didn't like that, he wanted an Egyptian delegation -- a national delegation -- but this was the price of Syrian participation. We sold it to Sadat on the grounds that it offered us a way to get Palestinians into a delegation. As a united Arab delegation, the Israelis wouldn't have to recognize the PLO. The Israeli leadership went along with it and, as you know, two American Palestinians were designated to go. That was the first building block. The two Palestinians, were members of the PNC.

A second was getting a backup dialogue with the PLO. We made an effort to do so. We wrote a declaration in August of that year in Alexandria -- I actually wrote it -- in which (a) the PLO agreed to accept 242, (b) indicated that the refugee language of 242 speaks only of refugees, not of Palestinians and was therefore politically inadequate. They could fill in what they wanted to, but we warned them, "Don't put in too much to make it politically unacceptable to Israel." and (c) they accept the right of Israel to exist. With Saudi and Egyptian help, Arafat was persuaded to agree to this, but he had to submit it, he said, to the PLO executive committee. By the time he did so, the Syrians had gotten wind of the proposed declaration and, even though the Syrian idea of a united Arab delegation had been accepted, they were clearly not keen on a direct dialogue between the U.S. and the PLO. They used their influence on the PLO executive committee and Arafat lost the vote 11 to 4. That meant we could not have that backup dialogue. But still Carter was ready to go ahead with these two Americans.

The third building block was to get the Soviets on board. The Soviets, who had been bitter about their exclusion all these years and really felt betrayed, and we had consciously pushed them out of the negotiations, there is no question about it. We believed we had very good reasons for doing so -- at least Kissinger did. The Soviets were only too pleased to go along with Carter's ideas. The joint declaration, the U.S.-Soviet declaration, was issued in early October, '77. We did go along with certain language that Soviets proposed on legitimate rights of Palestinians, which was picked up by the media with the question, "Is this something new?" The semantics of legitimate rights and other rights had sort of gotten lost in the long and difficult procedural issues that were being discussed, except of course by the Palestinians to whom they meant a great deal. We were ready to go to Geneva in December. We knew that there was a risk that the Soviets would use that international forum for mischief making -- political mischief making. So we had worked out with the Egyptians and the Israelis ways and means to limit that possibility. It was agreed that neither of the two co-chairmen, the Soviets or ourselves, would be members of the conference committees, which would consist of the United Arab delegation members and Israeli members. We were convinced that very quickly the parties, in committee, would not be able to agree and would come rushing out and ask for assistance from the co-chairmen -- that meant us and the Soviets. We had relations with both sides, the Soviets did not have relations with the Israelis. Therefore their mediatory capacity was limited. While we could not be sure that this would be a foolproof scheme, it seemed the best way of doing it.

Sadat; what was his reaction to the joint U.S.-Soviet statement? There's an Israeli view that it was the issuance of that declaration that caused Sadat to go to Jerusalem. That is utter nonsense.

Sadat was delighted about the joint declaration. The declaration, as it was worked out, was checked out almost daily with Fahmy, who was in New York at the time. Sadat said to me, "This is a brilliant move on the part of Carter to bring them in." He made the comment in the context of our parallel discussions on how we would limit Soviet mischief making capability. The declaration meant that we would now be able to move forward to Geneva, which meant a great deal to Sadat. He desperately wanted Geneva because, remember, by that time nothing had happened on the peace process for two years. So the Egyptians, contrary to the view that some have who weren't there have since expressed, did welcome that joint statement. But not in order to bring the Soviets in, in a major way, no. But to bring them in to prevent the Soviets from using their blocking capability. It had come to be realized that the Soviets had a blocking capability. In this way, it was hoped, they would not use that blocking capability, and would be official participants and could be managed.

Q: But then it was in the next month I think wasn't it, November 1977, that Sadat suddenly...

EILTS: Well what happened after...Carter reeled in the face of American domestic reaction to that joint declaration. But he never reneged on it. We continued to plan to go to Geneva. Now, the one building block that remained to the plan was developing an agenda for the meeting. That agenda -- the development of that agenda -- took the form of a working paper. While all of this was taking place in the fall of '77, Dayan came to the UNGA session in New York. He also came down to Washington and saw Carter. Carter said to him, "What do you think the terms of reference ought to be?" And Dayan wrote down, from an Israeli point of view, what these should be. Carter saw no problem with Dayan's draft. He said, "I have to check them out with Fahmy." Fahmy came a week later and was also invited down to Washington. There, he was shown Dayan's draft. Predictably, Fahmy said, "This is an Israeli draft. It is unacceptable to us." So Carter said, "Why don't you write whatever you want." So Fahmy did so. A week or so later, the draft as revised by Fahmy was shown by Carter to Dayan. Now, remember, we're talking about Dayan, equally predictably, found it unacceptable in terms of reference for what would be the reconvened Geneva conference. Carter agreed that Dayan might revise the working paper draft and Dayan did so. By that time Fahmy was back in Cairo. Hence, the revised draft was sent to me in Cairo to pass on to Sadat and Fahmy. They found it unacceptable. They absolutely refused to admit that this revision was an American draft. They said calling it such was nonsense, it was an Israeli draft. As a result, for a period of about ten days, we were arguing on this issue of the terms of reference. I had instructions to say, "Look, these are the terms of reference, the language doesn't matter. Let's get to Geneva." The Egyptians responded, "Well, if the language doesn't matter, then why aren't you willing to change it back to what we wanted?" And so we were reaching a point where an impasse had developed. Carter realized this and sent a hand written note to Sadat saying, "I need your help, some bold actions are necessary to break the impasse." But we were talking about getting to Geneva in order to break that impasse. And the draft terms of reference, the so-called working paper, was the focus of the issue.

Now, Carter, after we had not persuaded the Egyptians to accept it, finally came up with a new proposal, "Let's go to Geneva without terms of reference. Make that the first item of business." Sadat thought about it for 24 hours and then said, "Yes, let's go to Geneva. Then we're there, no matter how long it takes to draft the agenda." The proposal to go to Geneva was then sent to the Syrians. But the Syrians never answered, even though they had their united Arab delegation, they

never answered. Therefore, without their answer, we didn't know what to do. Sadat, becoming more and more impatient, said, "Peace is slipping through my fingers on procedural grounds." And then came the Carter letter that I've already mentioned. Sadat came up first with the idea of moving Geneva to East Jerusalem, with all five Security Council members present. We rejected that though. He then proposed, "Let's move Geneva to Jerusalem, with only the Soviets and you as co-chairman." We also rejected that idea. I remember when I told him this, he said almost in despair, "Well, if you don't like my ideas, don't you have any of your own?" But we had none. It was a period when we were stuck.

Out of that, with Sadat's flair for the dramatic, came his idea of going to Jerusalem.

Q: Sadat's trip to Jerusalem then really transformed the situation with which you were dealing, did it not?

EILTS: Yes, but that was not his intention. He went to Jerusalem in the belief that this was a way of breaking the impasse that had developed to getting to Geneva. By going to Jerusalem, presenting the Arab case to the Knesset, that this would show (a) the Arabs, the Syrians among others, that there was a way of talking to the Israelis on Arab issues, and (b) it would show the Israelis that the Arabs were willing to negotiate.

Now let me just say a word on the origin of Sadat's idea. Where did the idea of going to Jerusalem come from? It is not, as some Israeli revisionists have suggested, the result of Dayan's two meetings with Tuhami in Morocco. (Tuhami was a nominal Deputy Prime Minister in the Egyptian government.) The only reason Sadat sent Tuhami to Morocco was because Sadat wished to accommodate Hassan. After the Dayan-Tuhami meeting, Sadat commented to me that the meeting had really resulted in nothing, Dayan, he said, had presented the same old Israeli views, and he (Sadat) was very unhappy about Dayan's comments as reported by Tuhami.

But for a year or more before the trip to Jerusalem Sadat had been turning over in his mind a proposal made to him that he ought to meet directly with the Israeli leaders. The idea had come from Jewish financiers in Vienna, Paris and London, with whom Sadat would meet once a year on his trips to Europe. They had said, "Look, the best way to undercut Begin, and Begin had by then taken over from Peres, is through direct talks." That same idea had been passed on to Sadat by King Hassan of Morocco, who was conveying a suggestion of the late Dr. Nahum Goldmann, separately from these Jewish financiers, urging him to meet with the Israeli leadership because that was the best way to work out a deal. These were not the first times that Sadat had heard such views but, now with his confirmed ideas, not acceptable to us, and with the prevailing impasse, he reverted to this possibility. We were also getting to the end of the year (it had become a fetish with him to be at Geneva by the end of December). He put together these several ideas, i.e., the proposals that he meet directly with the Israelis, and, with his flair for the dramatic, his own idea of doing something in Jerusalem. Remember, his earlier proposal to move Geneva to East Jerusalem. He decided to go to Jerusalem on the Id el-Fitr (Muslim feast), which was coming up, and to use the occasion to present the Arab point of view and at the same time, as I've already said, to show the Israelis that the Arabs were willing to negotiate. But he did this not to shift the direction of the peace process, but to get to Geneva, to break the impasse to getting there.

Now when he first told us about this, we said to him, "We didn't think it was going to work that way. But it was up to him to decide. But we didn't think that that would do it." -- that is, do it in terms of getting to Geneva. Nevertheless, in a speech to the Peoples' Assembly, he said at the end of that speech (it was not part of his prepared text, but an extemporaneous utterance) that he'd go anywhere, including to the Knesset, in the interest of peace. Arafat was sitting in the front row.

And then things moved quickly. We had two visiting Congressional delegations in the coming week; first, Melvin Price's Military Affairs Committee; and then a more general one, headed by Jim Wright. As you might imagine, they were almost exclusively interested in his Peoples' Assembly comment about a willingness to go to the Knesset. He was getting -- at that time, we're talking about October '77 -- he was getting his economic aid, but military aid was still very limited, a couple of C-130s. He still wanted substantial U.S. military aid. And, as he saw the interest on the part of these Congressmen, the idea that such a Jerusalem visit would not only help in furthering the peace process impasse, but might also help in getting what he wanted; U.S. military aid. Hence, he decided to take the gamble. The invitation from Begin arrived on a Wednesday -- I'd just taken the Wright delegation to meet with Sadat. As they left I said to Sadat, "Mr. President, I think you're going to get an invitation. And you better be sure that you're going to do this, because if this is just talk, you're going to hurt yourself, and hurt Egypt's reputation." He said, "Yes, I'll do it," but he said, "There is one thing. I will not receive an invitation from Begin directly. It must come through President Carter. It must be transmitted." So I flashed that out to Washington and Tel Aviv. I never thought the White House would be efficient enough to get things moving that quickly. The following day, Sadat was going to Damascus -- it was Tuesday, and he was going on a Wednesday to Damascus. By Wednesday morning at 4:00 a.m. I had a flash message from Washington with Begin's invitation and with Carter's transmittal letter. I decided I'd better get these to Sadat before he went to Damascus and not wait until he got back lest the Syrians somehow dissuade him or cause him to change his mind. So I got him out of bed -- through the private secure phone -- and arranged to meet him before he went to the airport. He was staying out at the Barrages, a place about 20 miles north of Cairo, where he liked to relax. I got there and read him the invitation (I usually read written communications to him). He liked the wording of the Begin invitation, and said, "Yes, I'll do it."

And then Hosni Mubarak, who was Vice President, came in to take Sadat to the airport. He (Sadat) said, "Show Hosni the invitation." I did and, as a matter of fact, gave Mubarak the invitation. Mubarak said, "Well, Mr. President, if that's what you want to do, fine, but I suggest that nothing be said until you get back from Damascus tomorrow afternoon. Otherwise you may not get back from Damascus alive if word of this gets out before you go there." So Sadat said, "That's fine, meet me (speaking to me) in Isma'iliya tomorrow afternoon at 4:00 p.m. and I'll give you the answer." Then we flew with him by helicopter to the airport and he went on his way to Damascus. He asked that the Israelis be requested not to make public Begin's invitation.

As I was flying back with Mubarak I said to him, "When does he plan to go?" He said, "This coming Saturday." It was by then Wednesday afternoon; Thursday, the next day, he was coming back from Damascus. Mubarak also indicated that Sadat wished to send an advance team to Israel on Friday. I said, "I better inform the Israelis because they will have security and other arrangements to make." "No," said Mubarak, "nothing is to be said." But after a long argument I

finally got Mubarak's agreement that I could send a message to Ambassador Sam Lewis in Israel asking the Israelis, "If a certain President wants to visit Israel on a Saturday, what time should he arrive?" The answer was, "If a certain President wants to visit Israel, he should come anytime after 6:00, it being the Israeli sabbath."

Q: *P.M.*?

EILTS: Six P.M. The following day I met Sadat in Isma'iliya. He had had a very tough time in Damascus and was showing the strain. Mamduh Salim, the Prime Minister, Gamasy, the Minister of Defense, Hosni Mubarak, the Vice President, and one or two others were there. Fahmy was not.

The first thing Sadat said to me as we sat in his garden, "What have you got for me?" I replied, "Mr. President, what do you have for me?" "Oh, yes," he said, "I owe you an answer." He said, "Yes, I will go and I'd like to send an advance party tomorrow." By then it was late Thursday afternoon. "Tomorrow I want to send a party at 9:00 A.M. and I want to go on Saturday evening." I said, "Well, fine, but I'd better get back quickly and make arrangements." At that point one of his aides came in and said, "There are a lot of newsmen outside, television people. They know something is up." And Sadat, always receptive to newsmen, said, "All right. Let's get them in. You give me the invitation and they can take pictures of it." I said, "Mr. President, you have the invitation." He said, "Oh, do I? What did I do with it?" I said, "You gave it to Mubarak." And he turned to Hosni, and he said, "Hosni what did you do with it?" Mubarak said, "I left it in Cairo." So the question arose of some kind of a sheet of paper that I could give Sadat for the benefit of the press.

Now the 'Id was coming up, and I had the customary one-page congratulatory note, which, as you know, is sent by our President to Muslim leaders. I said, "Will this do?" He said, "That's fine. Bring in the press." So in came the thundering herd in a most aggressive fashion. He greeted them smoking his pipe and said, "Hermann, do you have something for me?" And I said, "Mr. President, I have this for you." He took the sealed envelope, opened it very deliberately, making sure no TV man was behind him, they were all in front, and nodded his head, closed it, gave it to Mubarak and said, "Tell Mr. Begin that I accept." So the world thought that the delivery of the Begin invitation was being televised, when in fact the Egyptians already had it.

By that time I really had to get back. I said, "Could you let me have a helicopter, because if you're sending somebody at 9:00 A.M. tomorrow, I have to get back to my Embassy, which is an hour's drive from the airport, and send out flash messages." Sadat responded, "We have one more thing to discuss, then you can go back with my people in their helicopter." He said, "This won't take long." I excused myself and he said, "No, you can stay." What was the remaining subject? He instructed Mubarak to accept Fahmy's resignation. Fahmy had been on a visit to Tunis just before the Damascus trip and had heard of Sadat's decision to go to Jerusalem and had resigned. Sadat depended very heavily on Fahmy. There were those, including Fahmy, who thought Sadat would never accept it and would back away from the Jerusalem trip idea. Now Sadat was instructing Mubarak to accept Fahmy's resignation and to name Mahmoud Riad, who was Minister of State and a close friend of Fahmy's, as Acting Foreign Minister.

To Mamduh Salem's, the Prime Minister's credit, since he and Fahmy thoroughly disliked each other, Mamduh said, "Mr. President, give me a chance to talk to Fahmy before you do this." "No," said Sadat, "Fahmy has decided and I'm not going to have any more of this. Mubarak is to announce my acceptance of Fahmy's resignation." So there it was.

We all, except Sadat, got on the helicopter for the flight back to Cairo. I was seated next to Gammasi. Fahmy had always said, "When I resign in protest, Gammasi, the Minister of Defense and also Deputy Prime Minister will join me." I was worried that if this occurred it would bring down the government. I was concerned that Gammasi would also resign and the whole thing would collapse. I said, "General, what are you going to do? I hope you're not going to resign." He said, "Well, I think the President's totally wrong in what he's doing, but I'm a soldier and I will stand by him." So Fahmy's resignation did not result in a similar resignation by Gammasi and the government was not brought down.

I got back to the Embassy that evening and sent out a series of flash messages about events. The following morning, the Egyptian advance party went and then Saturday, in the late afternoon, Sadat flew to Israel. When he came back two days later, he called me and asked me to come over. He was tired, but pleased. He said, "We'll be at Geneva in two weeks. It's all arranged. We'll have a preparatory conference here in Cairo, beginning next Friday, with all of the participants and the following week we'll be at Geneva. Tell Carter." At the preparatory conference the following week, neither the Syrians, Jordanian nor Palestinians were there. The Soviets also did not appear. Clearly, Sadat's trip did not have the effect that he had expected. As a result, the peace process then took a new and different route. For the first three to four months on that route, it was very rocky indeed, to a point where in mid-January Sadat was speaking very seriously of resigning his office. Begin, he complained, had failed to appreciate the risk he, Sadat, had taken.

Q: Well, President Carter, of course, took an increasing hand in the evolving situation and, in due course, convened the meeting at Camp David at which you were also present. This is, I think, the first time that I can recall that an American President had played such a direct role in foreign policy negotiations over such a long period in a critical situation and I'd appreciate your comments on the Camp David negotiations.

EILTS: Yes. I certainly share your view. I know of no instance where an American President has involved himself as much as Carter did, except perhaps the case of Woodrow Wilson in the Paris Peace Conference, which was a disaster. Carter decided to call the Summit when in the period January to August of '78 the whole area situation seemed to be deteriorating. Begin had made a return visit to Egypt, just before Christmas of '77. Begin and the Israelis thought this had been a great success, Sadat was bitter about it.

The military committee that was set up at Isma'iliya, the Egyptian-Israeli military committee, consisting of Ministers of Defense, had met in January. That meeting had gone all right, but the Political Committee, the Foreign Ministers, (which included the United States), which had met in Jerusalem in the third week of January, fell apart the first day.

Sadat blamed the Israelis; felt they did not appreciate, as he put it, the gesture that he had made,

the psychological gesture. The U.S. then convened a Foreign Ministers meeting of Israel, Egypt and the U.S., which was to take place in London. Because of security threats, however, the British made Leeds Castle available. The purpose of this session was to get the two parties, Egypt and Israel, to put their positions on the table and to ask questions of one another.

Now it wasn't that the parties didn't know each others positions, but we felt -- Washington felt -- we had to go through this kind of procedural action before we could call for a second Foreign Ministers' meeting at which we would present a proposal of our own. Sadat had consistently pressed us to present a proposal because the Israeli proposal, first made by Begin in December in Isma'iliya, was unacceptable.

The Leeds Castle meeting broke up in disarray. The Egyptian Foreign Minister, who was there, was bitter about it and reported negatively to Sadat. So our idea then of getting a second Foreign Ministers' meeting, at which we could present an American proposal, backfired. Sadat said, "I'm not participating in another Foreign Ministers' meeting unless something new is added." Now you know the business of "something new is added" can mean all kinds of things. We argued, and I in particular, that we could add something new and have that second meeting. President Carter decided, however, that the area situation had reached such a point that the risk was too great to wait for another Foreign Ministers meeting. The time had come to have a Summit, even though the gap between the two parties remained great. Some of us worried that the gap was too great. You know a Summit is fine, if you have the area of disagreement narrow. But Carter made the judgement that the situation was too serious to wait for that to happen and therefore called the Camp David Summit.

At Camp David, away from the glare of press, Carter insisted there be no press briefings by any delegation. Indeed, the American press officer would once a day go down the hill to whatever the little town is in Maryland close to Camp David, and brief the press in a rather anodyne fashion. And the negotiations then began.

Before we went to Camp David, I had seen Sadat prior to my own flight back to Washington. Sadat had said, "I want a confrontation with the Israelis, and I need Carter's help on it. They are not really being responsive to anything, as you know." At least this was the way he said it, "I want a confrontation." Begin, as I understand it, reckoned that there would be an effort to get a confrontation.

In a luncheon that we had -- the American delegation -- had with Carter, the Friday before we went up to Camp David, Carter had said, "I want to do something for the Palestinians," which I must say gave me great hope. And he said, "You know, I think we should be able to do something, get something done in four or five days." I remember we were making bets on how long it would take.

Both Sam Lewis, our Ambassador to Israel, and I warned the President at that luncheon, "Don't bring Sadat and Begin together, other than for social events." The reason was clear. By that time, Sadat's reaction to Begin, despite their earlier meetings, was very negative and bitter. Carter seemed to accept that. To our surprise, however, no sooner had we gotten to Camp David when Carter called Sadat and Begin together and said to Sadat, "Mr. President why don't you read your

proposal?" Sadat hadn't been prepared for this, but he had the Egyptian proposal with him and in a monotone he read that proposal. Begin was chafing at the bit. At the end of the presentation, Carter said, "Well, let's now adjourn and meet again tomorrow morning." Then Carter came to the American delegation. He looked at Sam Lewis and at me, and said, "You fellows told me not to get them together. It worked beautifully. No problem." The following morning he got them together again. No sooner were they seated when Begin said, "Mr. President, if you're going to accept this man's (Sadat, he was much more polite) proposal, I insist the Israeli proposal be accepted as the basis for discussion." With that Sadat, pointing to Begin, said, "This man is responsible for all the problems." Sparks were flying and Carter had to adjourn the meeting right away.

From that point on the negotiations took place between the American delegation and the Israelis; and the American delegation and the Egyptians. There was no direct negotiating between Egyptians and Israelis. Sadat and Begin didn't meet again except in a social context.

The first ten days -- first of all it took much more than a week -- by the end of the tenth day we still had no agreement on anything. Every agreement was tentative, conditional on something else. So it went. Carter was becoming very impatient. He had immobilized himself at Camp David for this long a period. And he finally said to the parties, "I have to go back to Washington on Sunday. Either we get something by Sunday, or it's a failure." By then, of course, his own prestige was heavily invested in this, which was important.

On the evening of the tenth day, a Thursday, Sadat was finally persuaded by Carter, Vance and Ezer Weizman to receive Dayan. Dayan, in his customary forthright fashion, told Sadat, "If anyone has told you, Mr. President, that any Israeli government can get out of the Sinai settlements, they're deluding you. It can't be." It was Weizman who had told this to Sadat. This so upset Sadat that he called me. He said, "I have to see the President." He saw President Carter and said, "I'm leaving. If I can't even get the Sinai settlements out of this, what's the use of coming here?" Now that forced Carter, who up to that point had been trying to persuade Sadat to allow the Sinai settlements to remain, if not under IDF -- Israeli Defense Force -- protection, under UNEF or even Egyptian military protection. Sadat had consistently refused. Carter was now forced to go to Begin and say, "Mr. Prime Minister, here's the situation. Nobody is going to understand why this peace conference fell apart because of your insistence on remaining in Sinai." And Begin, with obvious reluctance, because it went against everything he stood for, agreed to submit the issue of removing the Sinai settlements to the Knesset "without the whip", i.e., people would be free to vote their consciences. It was understood that, if the Knesset vote was negative, anything else that might be worked out at Camp David was null and void. That agreement came into being late at night on the tenth night, a Thursday night, three days before Carter had indicated the conference must close. The remaining two days then were spent in working out, (with Carter and Osama El-Baz on the Egyptian side and Aharon Barak on the Israeli side), in working out a Sinai agreement. That is the Egyptian-Israeli agreement that would deal with Sinai.

The rest of us were involved in working out a West Bank-Gaza autonomy agreement, the so-called "Framework for Peace in the Middle East." That second document went through 18 drafts and, as you might imagine, as this happens, instead of being strengthened, the document

becomes more and more ambiguous. It was no longer constructively ambiguous, but just ambiguous. For example, nobody was quite sure what autonomy meant. To Egypt it meant self-determination, or leading to self-determination. To Israel, it meant a kind of bondage status.

So we ended up on that Sunday morning with a Sinai document that was reasonably explicit and could serve as a good basis for peace negotiations. The West Bank-Gaza document on the other hand, "the Framework for Peace in the Middle East", was totally ambiguous, subject to divergent interpretations, and lacked anything about the future of Israeli settlements in the West Bank or in Gaza. Carter, however, at the last minute, thought he had an oral agreement from Begin that Israel would undertake a protracted freeze on settlements in the West Bank and in Gaza. By protracted freeze, Carter meant no more settlements until such time as a self-governing Palestinian authority envisaged in the West Bank-Gaza agreement had been set up, however long that would take. Thereafter that self-governing body would negotiate with Israel on the existing settlements and on any future settlements.

Had we in fact obtained that kind of agreement in writing we could probably have sold what was a vague document, West Bank-Gaza as far as Palestinian rights were concerned, to the other Arabs. Carter thought he had it, but it was an oral agreement; there wasn't time any longer to get a written statement at Camp David; he was getting on the plane to proceed to the White House for the signing ceremony. So it was agreed the letters from Begin; and several letters from Sadat on matters having to do with the agreement; were to be delivered to Carter on Monday.

That Sunday night, after the signing ceremony, but after we went to the State Department and sent messages all over the world, including to Arab leaders, explaining the agreement, and indicating we also had agreement, not textually in the accords but as a side agreement, a protracted settlement freeze for the West Bank and Gaza and asking for their support. By then, Sadat's Foreign Minister had resigned in protest against the Camp David accords when Carter got the letter from Begin on Monday. It didn't speak of a protracted settlement freeze. Instead, it spoke of a three month freeze, tied to the time period stipulated in the Sinai agreement for the conclusion of an Israeli-Egyptian peace treaty. This had nothing to do with the West Bank-Gaza. Carter would not go back to Begin, he would not himself call Begin and say, "Look, this is not consistent with your agreement of yesterday." I guess he wasn't sure. Quite frankly, he rushed through finishing the Camp David accords and perhaps allowed himself to be taken in. And then later, that same Monday Begin went to New York and made a public statement on what he meant by autonomy for the West Bank. This made it very clear that what he had in mind was totally different from what we had sent out as our explanatory messages to Arab and other leaders. So the Arab states, as you know, generally wouldn't agree.

Q: A couple of questions that occur to me about the Camp David negotiation and one is that, prior to that period, it had been an article of faith, really, in Washington that, if you were going to have a settlement of the Arab-Israeli issue you had to have a comprehensive settlement; and you mentioned that President Carter initially was in favor of a comprehensive settlement. Yet the Camp David formula clearly was leading in the other direction. And I wonder what happened to derail or divert attention from what had been the settled policy of the U.S. Government?

EILTS: Well, it was not quite that settled. There were those, of course, all along who questioned

whether a comprehensive settlement was possible; who argued that you have to do it piecemeal; that the experience of '77, when the Syrians would not respond to going to Geneva without terms of reference, had shown that you could not really count on everybody being involved. Now, Camp David itself, the West Bank-Gaza autonomy "Framework for Peace in the Middle East", had spoken of Jordanian participation in autonomy talks. Palestinians would be included in a Jordanian delegation. While nothing was said about the Syrians and Golan, various statements were made, that if the Syrians were interested, they could also participate. But it was not believed that the Syrians were ready for that. Nobody checked out with King Hussein whether he would play ball. An effort was made at Camp David to get Sadat to call Hussein, who happened to be in Morocco. It was one of those strange things. We can communicate with distant satellites beautifully. On this occasion the telephone connection between Camp David and Hussein in Morocco was terrible. Sadat said, "Hello, hello, hello," and he never did get across to Hussein what had been said about Jordanian participation. Whether, if he had gotten it across, Hussein would have been more receptive, I'm not sure. After all, he wasn't invited to Camp David and was in a sense being taken for granted. But in any case it was arranged that Sadat would meet with Hussein in Rabat as soon as Camp David was over. Sadat, at least, felt convinced that Hussein would go along with this. As it turned out, of course, Hussein didn't. By the time Sadat got to Morocco, Hussein had skipped and was not prepared to meet with Sadat. But the idea at Camp David, Carter's idea, was that if Jordan would join West Bank-Gaza negotiations, they might not be comprehensive in a total sense, but would be so in a more limited sense. All of this assumed Hussein would do as Sadat and Carter thought would be the case.

Moreover, Sadat and Carter both said at the signing ceremony at the White House that the Camp David agreements would be the cornerstone of a comprehensive settlement. They were the first steps in the comprehensive settlement. Well, there were not very many who agreed with that idea, but the vision of a comprehensive settlement remained. I frankly think that Carter, having since talked to him several times, including last year down in Atlanta, believed at the time that Camp David accords would be the cornerstone of a comprehensive settlement. He thought he had achieved enough, including in terms of Palestinian rights, that others would join in. The Syrians, he acknowledged, were the difficult guys, but that the others would join in. It came as a blow to him when they didn't. And it came as an even greater blow to him when the Saudis didn't support the Camp David accord. Carter was bitter about the Saudis and felt Fahd had betrayed him.

Q: This leads to my second question, because I think it was clear to many of the key people at Camp David, you and others, the career officers who had worked so long on this problem, that this proposal was deficient as you say. It kept getting watered down and so on, and yet I can understand that you were not in a position to exercise much influence on President Carter. And it raises in my mind the question of the role played at Camp David by Secretary Vance. Was there an effort made to convince him to talk to the President and see if some positions could not be worked out which would have a little more likelihood of longevity thereafter?

EILTS: Remember, by the time when we were in that second week, it looked as though it was going to be a defeat; there was concern that the President's prestige would be hurt. Hence, there was a general feeling on the part of almost all people who were involved, and especially Vance and Brzezinski, that something had to come out of this -- I don't want to say, to save the

President's face -- but to prove the President had had some success. This became an imperative. If we had closed the conference after the first or second day it would not have been too great a failure. But to have the conference end 13 days with a failure, that was unacceptable. Now, add to that the fact that Sadat, despite the strong remonstrances of all of the members of his delegation -- one of them, as I've said, the Foreign Minister, resigned in disgust -- was going along with almost everything that Carter said. Carter would say to Sadat, "Look, don't worry about the semantics of the West Bank-Gaza framework document. When we get to the actual negotiation we'll make something out of this." And Sadat, having this tremendous confidence in Carter, wanting American military help, wanting to appear the great statesman, a great leader, was ready to acquiesce each time Carter went to him on that "Framework for Peace document" for an additional semantic change. Sadat agreed, he was after all not a man who dotted the i's and crossed the t's, unlike Mr. Begin. He was a grand seigneur type person. Sadat said, "Alright, it doesn't matter." And President Carter said to him, "We'll make something out of all of this when we get to negotiations." Sadat had regularly said to Carter, "I will not let you down." So at this critical period it was Sadat making concessions. Thus, for Vance and Brzezinski, and Mondale, who would show up regularly -- Mondale was very pro-Israeli, as you know -- the fact that Sadat was willing to make concessions suggested to them that such concessions were something the traffic could bear. They assumed that Sadat knew best what Arab reaction would be, that the traffic would bear more than some of his advisers and some of us were saying to Carter and Vance. At one point, in a meeting with Carter, Sadat expressed some concerns and said, "You know I'm agreeing to all of this, but the Saudis aren't going to accept this. And if we don't get Saudi support, it's going to be bad." Carter responded, "Don't worry about the Saudis, Mr. President, I'll take care of the Saudis." The view that Saudi Arabia was a client state of the U.S. had been one that Sadat had had for a long time. He and I had talked about this very often and I'd told him it wasn't so. When President Carter said this, Sadat looked at me, he had his pipe in his mouth, and sort of smiled. There it was. After Sadat left I said to President Carter, "I'm not Ambassador to Saudi Arabia at the moment, but I know Saudi Arabia well. I can assure you they're not going to accept this. They're not going to do so." That was the only time that President Carter was noncollegial. Normally he was a remarkable example of collegiality. He said to me, "Hermann, don't you worry about the Saudis, I'll take care of them." And I figured, "Well, he must know something, either through (U.S. Ambassador) West or some other source" that I wasn't aware of.

And then, of course, came that Monday, when Carter got the letter from Begin that we didn't have the protracted settlement freeze. That same Monday the word was already out that the Saudis had publicly denounced the Camp David accords. So somehow Carter had misgauged the Saudi view. He had had only two meetings with Saudi leaders, one in May when he met in Washington with Fahd and one very briefly in Riyadh in January of '78. Somehow Carter had gotten the impression that Fahd, in that typical notional way in which he tends to speak, would go along with whatever Carter had worked out. And it came as a shock to Carter that the Saudis didn't agree. It also came as a shock to Sadat.

On the Tuesday, after the signing, Sadat went to the Hill. Wednesday morning he was leaving to return to Cairo. I had to get his approval to publish certain documents he had written to us. I couldn't get him at Blair House before he left. So it was arranged that after he got on his airplane and before they closed the door, I would rush up and get his agreement to publication of the

letters. We got through the Andrews departure ceremony all right, Sadat, the smiling gentleman said goodbye to everybody and on the steps of his aircraft waved with a smile. Then he went into the airplane and was out of sight. I rushed up the steps and entered the aircraft and here before me was this smiling gentleman of ten seconds ago shouting at everybody in the aircraft, madder than blazes.

Then he saw me over his shoulder and he turned to me and said, "Hermann, you told me that you would handle the Saudis." He didn't mean me, he meant the United States. All I could say was, "You know, Mr. President, President Carter is sending Secretary Vance to Saudi Arabia tonight and hopefully something will work out." But it was a total miscalculation on Sadat's part about the ability of Carter to see things through, including persuading the Saudis. It was also a total miscalculation on Carter, Brzezinski and Vance's parts -- less so Vance than Brzezinski's - that Sadat had an influence, a residual influence, with all of the Arabs. Thus, those of us who knew something about the Arab world, our views simply were not accepted. And, of course, there was the imperative of some kind of Presidential success that had developed, "The President has got to come out of this meeting with something," was the watchword.

Q: Yes. So that there really was nothing that Secretary Vance could have done at that stage.

EILTS: No. Vance several times said to me, "You know I'm surprised that Sadat's agreeing with all of this. But if he agrees I must assume he knows what he's doing. As for the members of his delegation and their objections, well they're just soreheads."

Q: Would you agree with the statement that has been made that Begin saw the Camp David agreements in practical terms as his giving up the Sinai in return for a free hand in the West Bank?

EILTS: I do indeed. Begin initially hoped also to be able to retain the Sinai settlements. It was a blow to him when he couldn't, but he accepted this. But in accepting it he saw the "Framework for Peace in the Middle East" and the autonomy that was envisaged, for the West Bank and Gaza, as a very narrow autonomy. Something that should never result in Palestinian self-determination or an independent Palestinian state. He was determined that the Israelis would have carte blanche in the West Bank and in Gaza with a view, at the end of the five-year transitional period that was envisioned, of reasserting the Israeli claim to sovereignty over those areas. I don't think the Israeli position, I mean the Likud position, has changed on this.

Q: So in fact it came as no surprise to you personally that the Arab and Palestinian reaction to the Camp David accords was negative?

EILTS: Not at all. As I say, despite the watered down nature of that "Framework for Peace in the Middle East", the autonomy document, if we had gotten that protracted settlement freeze, tying it, as Carter believed he had with Begin, to an oral agreement, to the establishment of a Palestinian self-governing authority in the West Bank and Gaza, then it might just have had some impact. But when that fell through, the acceptance by the Arabs was a foregone conclusion. As a matter of fact, it turned out that Carter had had a draft letter from the Israelis that same Sunday, before we left Camp David, saying it would only be for three months, that is, tying it to the Sinai

agreement. Carter sent it back to Begin saying, "This is not consistent with what we agreed upon." And he seriously, apparently, expected an altered letter which would tie the freeze into the autonomy accord. When the letter came in its final form the next day, it was the same as the earlier draft. Now only he knew that, that first letter, so he knew about it. But no, as that document was watered down I talked to Hal and to Roy...

Q: That's Assistant Secretary Hal Saunders and Ambassador-At-Large Roy Atherton.

EILTS: We all agreed that this was not likely to be acceptable. Now poor Hal Saunders, and to (NSC Staff) Bill Quandt also, who was doing so much of the agonizing drafting, and redrafting, and redrafting, and redrafting, had reached a point where he just wanted to get it over with. Yes, it was one of those situations where the professionals -- Sam Lewis, of course, was all for this -- but where the professionals who knew something of the Arab world were very uneasy about it all. The reasons that I've already indicated, however, our principals said, "Well, Sadat's the guy, he knows what is politically acceptable." Unfortunately, Sadat and our leadership worked on different assumptions.

Q: Well now, it is a hypothetical question, of course, but in regard to the fact that some believe that the Camp David accords and the subsequent separate peace between Egypt and Israel led directly to the Israeli invasion of Lebanon, perhaps contributed to the assassination of President Sadat; and maybe even had a role in the outbreak of hostilities between Iraq and Iran in a certain sense; would you say that it would have been wiser for the United States Government not to have concluded the Camp David accords?

EILTS: No, I don't think that. I agree that the Camp David accords and the Egyptian-Israeli peace treaty, appearing as they did as Egyptian with Israel from the Arab-Israeli side, contributed to the assassination of Sadat. And I don't question, in my own mind, that these agreements encouraged the Israelis to take various actions -- the bombing of the Iraqi reactor; the invasion of Lebanon; things of that sort. The Israelis felt they had a free hand in this area. I'm not so certain that it had a significant role in the Iraq-Iran war, but that's a debatable point.

But Camp David was a modest accomplishment. My problem with Camp David is two-fold: one that we gave away too much. Certainly Carter, in going into the Summit, had much grander ideas of what could come out of it, including doing something for the Palestinians. But, given the difficulties of the first ten days; and then, the vast array of nitty-gritty work that had to be done in the last two days, by which time he just had to get back to the White House -- these were all important elements of the overall problem. Carter knew the problems intimately because he had briefed himself better than any President, but these issues were not given the time that they deserved.

Several suggestions were made, "Can't we stay a little longer?" But, after all, by that time the President had been away from Washington for two weeks and that was in itself remarkable. My second is this: that then we did not, either under Carter and certainly not under Reagan, take what we had obtained in Camp David and try to develop it into something more meaningful. Once we got the Egyptian-Israeli peace treaty, that was pretty much it. The following West Bank-Gaza autonomy talks languished. For Carter, of course, he couldn't involve himself. He

was in the election campaign. He had the Iranian hostage crisis. He named Bob Strauss -- Bob Strauss is a great fellow, the former chairman of the Democratic Party -- but Bob didn't like that job. Then he named Ambassador Sol Linowitz. What little was accomplished in the autonomy talks is largely the result of Sol Linowitz's work.

But then came a new Administration with a different sense of priorities. The whole idea of autonomy talks that flowed from Camp David was given short shrift. A minor functionary of Secretary Haig's was named to conduct them. Well, that was not -- that kind of a figure, as American representative who had to deal with five Israeli Ministers, (they had by then named five Ministers), and an Egyptian Prime Minister, who was in a position to make anything out of it. And the Reagan administration, it seemed, really didn't care. It had strategic consensus and the Soviets on its mind, things of that sort. So the two problems, in my view, we did not at the end of Camp David work enough to prevent some of the dangers that, at least many of us, saw. And, second, afterward for a variety of reasons, we did not try vigorously to make something out of Camp David.

Q: Well, now you worked, of course, very closely over the years with President Sadat who was an outstanding leader of his country. I wonder if you could give an assessment as to his character and what motivated his actions?

EILTS: Sadat is the man who went through a number of metamorphoses...

Sadat had been an Arab nationalist, believed in Arabism of the Nasser variety, for a period of time. By the time he became President, however, he seemed to have developed to a point where his nationalism was more Egyptian rather than Arab. By that I mean, while he saw Egypt as an Arab country, and had a continued interest in Egypt's status in the Arab world, he was more concerned with redressing for Egypt the consequences of the '67 war, specifically getting the Sinai returned to Egypt. And that was a significant change. In fact, it was that change that made it possible for the United States to work with him. That did not mean that he discarded or discounted other Arab concerns, including Palestinian concerns, but Sadat was an Egyptian first and foremost. In typical Egyptian fashion he saw Egypt as a civilization of 5,000 years. He was a devout Muslim. Yet, he recalled that Egypt was building pyramids while the Arabs elsewhere were having difficulty putting up tents. And he showed that typical attitude of condescension toward other Arabs which so many Egyptians tend to do. They don't even realize, very often, how this often grates on other Arabs. But in this effort on Sadat's part to recover, first of all, Egyptian losses, specifically the Sinai; the focus was on Sinai and on Egyptian-Israeli relations. And that was precisely what Israel played upon in an effort to separate Egypt from the Arabs. The United States, not perhaps consciously, although Kissinger would cheerfully have done this consciously, but Carter wasn't doing it consciously, the U.S. played into this kind of feeling. Also Sadat, as an Egyptian, could not believe that other Arabs would be prepared to alienate themselves from Egypt. They needed Egypt. I remember, after Camp David and the peace treaty, when Egypt was expelled from the Arab League and the Islamic Conference, saying once to Sadat, "Mr. President I'm very disturbed about Egypt's isolation in the Arab world." And Sadat replied with total conviction, "Hermann, Egypt isn't isolated in the Arab world, the Arabs are isolated from Egypt." Now there was something ethnocentric but typically Egyptian, in all of this. And I think it's a reflection on the way Sadat saw things.

In the period immediately after the '73 war, that is say from October '73 to '75, I sensed a considerable lack of confidence on his part. He wasn't sure whether he had made the right decision to work with the United States for the reasons we've talked about before. Aid was slow in coming, military aid wasn't coming, the peace process was slow. By the time we got Sinai II, however, in other words in September of '75, he had come to have a great sense of self-confidence. There was a marked change in him. He was the leader. He had almost a paternalistic view toward Egyptians. They were his "children", his "people". This was not a pharaonic attitude, as some Egyptians have suggested, but he really felt that he was the father and the leader of the Egyptians.

He was a man who thought a great deal. He would sit for long periods of time in silence, smoking his pipe and thinking. His thoughts, I never felt, were very deep; and I don't say that in any pejorative sense; but he thought in strategic terms. He was a conceptualizer in the same sense that Henry Kissinger was. And, of course, he was a man of great courage. He knew he was going against the tide of Arab opinion, not only Egyptian opinion, but Arab opinion in general. But as an Egyptian he felt that he could bring it off, and in that, of course, he was mistaken.

From a family point of view he was a very, very warm individual. To me he was gracious at all times. I saw him almost every day; I often got him out of bed on the secure telephone; yet he was always gracious, always courteous, always forthcoming. When we had differences of view, why, he accepted those without any rancor. And, too, the last time I saw him when he was in Washington, he was always a very close friend and I think he regarded me as a friend.

JOHN G. KORMANN
Deputy Chief of Mission
Cairo (1974-1975)

John G. Kormann became interested in foreign affairs during his service in the U.S. Army during World War II. In addition to Egypt, his Foreign Service career took him to Germany, the Philippines, and Libya. He was interviewed by Moncrieff J. Spear on February 7, 1996.

KORMANN: I was in Munich for about five months, when I received a message from Ambassador Eilts, whom Secretary Kissinger had called from the War College to go to Egypt as his special emissary after the 1973 War with Israel. We were in the process of refurbishing our relations and he asked me to come down as his DCM. When I arrived in Cairo the Russian military presence was still substantial, but President Anwar Sadat was revising his policy options. The American presence in Cairo was handled by an interests section, with a small group of officers working out of the old Embassy complex, which had been partially destroyed growing out of the rioting during the wars. With the conclusion of the 1973 War, Secretary Kissinger began his shuttle diplomacy. By the time I arrived early in the year, it was in full swing. The small staff of about 30 people, including the administrative support, was sorely taxed. The actual substantive officers amounted to fewer than 10, and these to deal with a major negotiating

process headed up by the Secretary of State and his entourage of an Under Secretary, Assistant Secretary, ambassadors and NSC staffers and a planeload of 80-90 others, including nationally renowned correspondents. Our relations with Sadat grew increasingly more friendly, and within months he cast Egypt's lot with the West, largely ousting the Russians. We worked long hours, seven days a week. Ambassador Hermann Eilts was an able, but very tough taskmaster. With the reestablishment of diplomatic relations, he fought to keep the Embassy small, despite pressures from various agencies, such as the Departments of Agriculture and Justice, to return their representatives to Cairo. He reasoned the fewer people we had at that sensitive post in those days, the less that could go wrong. He probably was right, but it certainly was hard on me. I was acting as DCM, political counselor and economic counselor and coordinator for the Kissinger visits all at the same time. To cite a few other examples, I was charged with cooperating with the U.S. Navy in their major effort to clear the mines and sunken shipping out of the Suez Canal. I was the Embassy's point man on the negotiations for a new textile agreement, as well as on those to settle the large-scale claims against Egypt for the nationalization of American business under Nasser.

It was all very challenging and exciting. Illustrative of the way things were, I recall Ambassador Eilts coming to me late one afternoon and saying, "It's about time we urged the Department to consider an aid program for Egypt. Why don't you draft a telegram laying out some ideas." I asked him how large he thought the program should be. After thinking a moment, he said, "About \$200-250 million." I was no aid expert, but for that matter neither was I an expert on clearing the Suez Canal or textile agreements or many other things. Using resource material available and common sense, one did one's best. I stayed up that night and drafted a long 10-15 page telegram laying out what I thought a \$250 million Egyptian aid package should look like. It covered a range of different areas. Early the following day, I gave the Ambassador the draft telegram. He took it into his office and I was not at all sanguine. Not long after, he came out and handed me the draft which contained one or two modifications and said, "Send it." To say I was surprised would be an understatement. I still expected some kind of rejoinder, once it got to the Department and the Agency for International Development (AID) considered the proposals, but none ever came. Not long afterward a two-man AID team came out to flesh out the program. That started what is today a multi-billion dollar aid program for Egypt.

I stopped counting the number of times the Kissinger party descended on us, often on short notice of only a few hours. Books have been written about the Kissinger Middle East shuttle diplomacy and there is not much I can add. I don't think anyone, at least in the accounts I have read, captures the uproar these stopovers created at the posts involved. One would think that after a while, they would become routine, but they never did. I don't know how many times I called the manager of the Hilton Hotel to tell him to clear out the two top floors for the Kissinger party, which included Under Secretary Sisco, Assistant Secretaries Atherton or Saunders, Ambassadors Bunker, McCloskey and Anderson, Executive Secretary Eagleburger, NSC staffers Winston Lord and Robert Oakley and a host of others. On occasion, Mrs. Kissinger would accompany the Secretary. Dozens of hotel occupants, many of them American businessmen would be displaced in a city where hotel rooms were scarce. I became the lightning rod for their anger, many of them vowing to tell their Congressmen to have me fired. On one occasion, my friend, the German manager of the Hilton Hotel said enough was enough, and he absolutely refused to accommodate the Kissinger party at the last minute. I pleaded with him, but he would not relent. What could I

do but report the matter to the Foreign Ministry; the manager was threatened with arrest. The large accompanying Secret Service or State Department security contingent was always a problem, despite my lecturing to them in post - arrival briefing sessions. Invariably some Egyptian official, his wife, or a foreign diplomat would be brusquely handled or pushed aside with consequent repercussions.

Cairo was a three-ring circus during shuttle diplomacy. There were nights when I never went to bed. Sisco, Atherton, Saunders, Bunker, McCloskey, Eilts and I would sit in an ante-room, while Kissinger met behind closed doors with Sadat or Foreign Minister Fahmy until the wee hours of the morning. Periodically, there would be a call for one of the group to come in to assist on one matter or another. The watchword was, "They also serve who sit and wait." Generally, the meetings would be held in Cairo, but there were a number in Alexandria or elsewhere in the country. We then would be treated to flying around in Russian-made helicopters piloted by the Egyptian Air Force. These flights particularly would set my wife to worrying. She received more than her share of playing hostess to groups of these visitors; at times during some of our receptions, I would at the last minute be sent off on some mission to Alexandria or elsewhere and she would entertain the guests without me.

The Ambassador dealt with Secretary Kissinger, Sadat and Fahmy and the negotiations, and I was generally responsible for other activities, including the support operations. In all of this, I had the help of superb officers. I doubt if a better staff had been assembled anywhere. Ed Peck, April Glaspie, Beth Jones and John Craig immediately come to mind. Three of these officers are, or have been, ambassadors and the fourth surely will be. Dick Smith and then Mac Gerlach, who headed our administrative section, were the best in the business. I don't know what I would have done without all of them. They certainly pulled me through. How the staff managed to be responsive to the constant demands and vicissitudes was nothing short of remarkable.

Everyone in the Embassy would breathe a sigh of relief, when the Kissinger plane departed. (laughter) Even then, there were anxious moments. I remember the Ambassador and me standing on the tarmac at the airport after having said goodbye and watching that big, fully-loaded Air Force 707 jet start taxiing down the runway. After going a distance, it stopped. We stood a long time in the sun waiting for it to move again, when word was received that there had been shots aboard the plane. Our first thought was that there had been an assassination attempt. There were numerous people other than the Kissinger party on the plane. It turned out that one of the Secret Service agents accidentally discharged his Uzi submachine gun. The delay was caused by efforts to make repairs, which were carried out by stuffing chewing gum in the holes in the fuselage. I still find that expediency procedure hard to believe. However, the plane did take off and obviously arrived at its destination.

As soon as diplomatic relations were reestablished, we were inundated with CODELs. Egypt had been off-limits for many years and Congressmen wanted to see the pyramids on one pretext or another. Some visits were troublesome not only from the administrative side, but from the political side as well. I recall going over to the Hilton Hotel one morning to pick up Senator McGovern. I was going to take him to meet with President Sadat and I came a bit early. As I was about to knock on his hotel room door, it opened and I ran into the senior representative of the PLO coming out of the room. At the time, we had a very strict policy of no contact with the

PLO. It was quite an awkward situation; McGovern had not informed anyone of this proposed meeting, neither the Department nor the Embassy.

In June of 1974, I returned to Washington for a ten-day tour of Army Reserve duty. The Ambassador was not at all happy about my leaving, but felt that it would provide an opportunity for me to brief my replacement in the DCM job. With the reestablishment of relations, Cairo had reverted to being a Class I post, which now called for a Minister-level officer in the position. Richard Murphy, who had been Ambassador to Mauritania, was assigned and even appeared in the Foreign Service list in the position. In Washington, I met with Murphy and did my best to make the job sound attractive. I sensed that he saw Egypt as a real challenge, but obviously would rather have had his own Embassy. As matters developed, Damascus opened up and he became Ambassador to Syria. I had the feeling that Ambassador Eilts suspected me of having pulled a fast one to hang on to the DCM job, by discouraging Murphy. It wasn't until several months later that Frank Maestroni came out as Minister. In the meantime, Kissinger kept coming and President Nixon made a tumultuous swan-song visit.

I would be remiss if I didn't say something about the Nixon visit. It was a spectacular affair. President Nixon, beleaguered on all sides by Watergate, was seeking to bolster his prestige with a foreign success. We received a message from Washington instructing us to sound out Sadat on the matter. I recall being in the Ambassador's office when word came that not only would Sadat receive him, but we should assure President Nixon that the visit would be a triumphal affair. Indeed it was. Everywhere there were huge pictures of Sadat and Nixon. The Egyptian Government turned out people by the millions to line the road from the airport into town. Our motorcade was mobbed by welcoming crowds, really making us fear for our safety. On a trip up to Alexandria, there were crowds lining the railroad track all along the 90 mile route to greet President Nixon. The state dinner for 400 at one of King Farouk's palaces was one of the most memorable experiences of my life. Colorful mounted lancers in resplendent uniforms lined the route to the palace. At the dinner, Henry Catto, our Chief of Protocol and later Ambassador to England, who was sitting next to me, said he had never seen anything like it. I have always regretted that my wife missed this spectacle; she had to stay home with my young son, who had just come down with dengue fever. Of course, Nixon resigned and the Egyptian leadership could never understand what possessed the American people to force him out. They considered him a very, very capable leader.

At one point, I was sent up to reopen our Consulate General in Alexandria, which had been closed since being attacked in the Six Day War in 1967. It was a sad little ceremony in which I raised the flag over temporary quarters, while the still beautiful, but partially-gutted old building stood empty. When I returned, Ambassador Eilts asked me whether in view of my having to give up the DCM job, I would feel better being Consul General in Alexandria. It was a very gentlemanly thing to do. I told him that I thought I could be of more use in Cairo, even if it were in the lesser capacity of Counselor. The amount of work continued to be staggering and as it happened later in the tour I came down with a severe case of hepatitis that resulted in temporary memory loss and partial blindness. I got it, I believe, from one of the dinners eaten at the Palace. My wife said it was from being run down and overworked, making me receptive. It put me out of business for a couple of months. While I was in Cairo our working contacts were excellent, largely due to the Ambassador's cordial relationship with President Sadat and Foreign Minister

Fahmy. My relations with Egyptian officials could not have been better. Foreign Office members even put up politely with my interminable visits, on instruction from Washington, to request them to vote with us on UN resolutions supporting Israel. Obviously, they would not, but they were very civil about it all.

FRANK E. MAESTRONE
Deputy Chief of Mission
Cairo (1974-1976)

Director, Sinai Support Mission
Washington, DC (1980-1982)

Ambassador Frank E. Maestroni was born in Massachusetts in 1922. He received a B.A. degree from Yale University in 1942. He was a First Lieutenant in the U.S. Army from 1943 to 1946. He joined the Foreign Service in 1948, serving in Austria, Germany, Egypt, Kuwait, and the Philippines. Ambassador Maestroni was interviewed by Hank Zivetz in 1989.

Q: Okay, now maybe we can move closer to your tour as ambassador to Kuwait, but, first, a word about Henry Kissinger and his peace shuttle, and the negotiations for the second Sinai disengagement during your tour as DCM in Cairo. How might you characterize the sentiments of your embassy colleagues toward the events of the war and the efforts to work out an accommodation?

MAESTRONE: I arrived in Cairo a number of months after the war. It was just about a year after the October '73 War I was there, late September 1974. The embassy was then a very small embassy. It was very active in resuming relationships with the Egyptian government, which had been suspended since 1967, and only resumed early -- I think, it was in February or March of 1974 that the embassy was reestablished in Cairo. We had had an intrasection operating there before. The members of the embassy were all very interested in this new political development.

Q: Could you tell us a little bit about your involvement with the Kissinger mission?

MAESTRONE: Well, we had at least ten visits by Henry Kissinger while I was there in Cairo because of the shuttle activities. These came fairly frequently and completely occupied the attention of the embassy, I mean, for all practical purposes -- yes, it was still a small embassy in those days, not the great monster that it is today. We had to devote all our attention to supporting the Kissinger circus that came in. As with all visits by Secretaries of State -- and I have participated in these in my earlier days when I was in the executive secretariat under John Foster Dulles. All of the secretaries of states' visits are circuses. I mean, they come in and there's a great upset of everything the embassy is doing and all attention is focused on them. But they were all aimed at achieving a peaceful development of the relationships between Egypt and Israel, and they were well worth the effort that's put into them.

Q: You know, it's been said, because of modern communications and transportation, that many major issues are taken out of the hands of the people at an embassy, and the ball is run by someone, like a Kissinger, out of Washington. Was there much input from you and your colleagues in Cairo during these initiatives?

MAESTRONE: There was considerable input, particularly from our ambassador, Hermann Eilts (phonetic), who was very closely consulted by Henry Kissinger on many of the steps he took with respect to Egypt. In fact, Ambassador Eilts was called away on consultation by Henry Kissinger, not only to Washington, but often to other places where Kissinger happened to be, particularly if it was not too far from the area. I think once he went to Pakistan or something like that to consult on these matters, so that there was very close consultation between the head of the embassy and the Secretary of State on these issues. As a result of Hermann Eilts being absent a good deal of the time, I was chargé d'affaires during some interesting developments there as well.

Q: Could you elaborate on some of these?

MAESTRONE: None of them were what you would call major developments. I remember there was one issue in which the Egyptians were going to bring up a matter in the United Nations about this whole relationship between Egypt and Israel, which would have upset the Israelis and disturbed the course of these negotiations. I remember this occurred in the summertime. Hermann Eilts was away on consultation. The Foreign Minister Fahmy was up on the beach in Alexandria. He had a little beach kind of hut or cottage there, to which he used to repair during the summer. I remember I had to drive up there and negotiate with him while he was sitting in his bathing trunks on the beach there to convince him to drop this U.N. effort that they were planning to undertake.

Q: Successfully, I assume?

MAESTRONE: Yes.

Certainly, in the Middle East, Anwar Sadat was one of the outstanding statesmen that the world has seen. I had the occasion to meet him numerous times and to take important Americans, senators, congressmen, etc., to meet with him when I was chargé d'affaires.

Q: Could we focus on Sadat, because the conventional wisdom has it that he could be elected to any position in the world except in -- he couldn't be elected to anything in Cairo; that his popularity was more international than it was domestic. Did you find that to be true?

MAESTRONE: I think that can only be characterized as accurate in terms of a charismatic attraction. He did not have the charismatic attraction from the Egyptian people that Nasser did, for example. On the other hand, his efforts to achieve peace were fully supported by the Egyptian people. And I don't mean the politicians, etc. The people on the street, I remember, meeting with those at the various bazaars elsewhere, and, you know, they were all in favor of peace. They even thought Henry Kissinger was a great man because he was working for peace in that direction. So that I think that that's a bit overdrawn. He was not a charismatically popular

political figure, but he was highly respected by the Egyptian people. Certainly, his dedication to peace, which I had personally observed in a number of occasions, was as great as you would find in any great statesman. And very impressive, indeed, I -- there were occasions in the negotiations for the second Sinai disengagement where he overruled his entire cabinet to make concessions which were minor concessions in his view, because they would enable larger steps to be made in the direction of peace. His various advisors would insist on, you know, limiting the number of kilometers of an area that they would agree the Israelis could still hold and that kind of thing. Sadat dismissed all of this as minor details which were not important in achieving the objective he sought, and he was right.

Q: Yet, on his assassination, it appeared that the Egyptian populace was not as -- well, they may have been shocked -- but not as distraught as we might have thought, considering the position he held under our eyes.

MAESTRONE: Well, no, he did not attract the kind of fanaticism, for example, that you see in Tehran today when Khomeini died. He didn't attract that kind of thing, but he did have high respect. And, besides, the whole question of his funeral, etc. was handled so very rapidly and very quickly without the populace being given an opportunity to participate. It's true there was no, sort of, natural outburst on the part of the people with respect to Sadat. And, of course, his assassination was accomplished by radical Muslim fundamentalists who were in the Army and who had managed to work their way into this particular parade.

Q: Sadat would be one of the major personalities with whom you have worked and had some relationship in your career?

MAESTRONE: Certainly, I'd say he would be, certainly, one of the major personalities. And the others would be Marcos, although had less direct contact in that sense, since it was pretty much reserved to the ambassador. But, whereas, in Cairo I was chargé d'affaires for long periods of time and frequent periods of time so that I did have more contact with Sadat. Others I met, interestingly enough, there were quite a number of people in Kuwait who would come there on visits, including President Tito, with whom I had a long conversation at one diplomatic dinner there. I met a lot of these people, General Zia ul-Haq of Pakistan; another one, Prime Minister D(inaudible) of Afghanistan, not too long before he was assassinated. A whole variety of people I met during my career.

Q: Let me see, what was the year that you were director of the Sinai support mission?

MAESTRONE: I was director of the Sinai support mission from 1980 to 1982.

Q: Yes, could you tell us something about that?

MAESTRONE: The United States-Sinai support mission was the result of the negotiations which took place with respect to the second Sinai disengagement agreement between Egypt and Israel, which were conducted both in Israel and Alexandria, Egypt, when I was DCM in Cairo. In fact, I

was control officer for the Egyptian end of the negotiation.

The agreement had essentially been reached, but the Israelis wanted some kind of an assurance that their withdrawal -- because this would require them to disengage from their previous alliance, vis à vis the Egyptians -- that this would be that the buffer zone between the two would be monitored, and they insisted that the Americans do this. So it was agreed that the Americans would set up a technical monitoring system which used sensors and a variety of things that were subsequently developed to do this. They would be located in the Sinai desert between the Israelis and the Egyptians.

This was, I think, in addition to the agreement of protocol, or something like that. I'm a little dim in my memory on if this was actually part of the agreement or an annex to it. In any event, it was agreed that we would undertake this. And when we agreed to do that, then the Israelis were willing to agree to the disengagement arrangements. But the Israelis insisted that there could be no nationals employed, and they were thinking, of course, of the Egyptians working for the Americans who were there, because they were afraid that they might be intelligence people or something like that. So the Sinai field mission, so called, was set up, made up completely of Americans. There was not a single Egyptian, or Israeli, or any other nationality involved in this operation.

When I took it over in 1980, they had moved from their previous phase of the technical monitoring to an actual on-site inspection of Egyptian deployments in the Sinai. There had been a subsequent further disengagement, which came as a result of the Egyptian-Israeli peace treaty. The military requirements, with respect to the Sinai, set in the peace treaty had to be monitored, and this was done by the existing Sinai field mission, which sent people actually around to count tanks and personnel, etc. This included some Israeli installations as well that still were in the Sinai.

Q: Where were you physically?

MAESTRONE: Physically, I was located in the Department of State, where I had a suite of offices. It was a relatively small operation. I had about 16 technical experts, etc., working in the Sinai support mission as such. We had the major work and the whole operation was done by a company with whom we had a contract, namely, E Systems of Dallas, Texas.

Q: It was a civilian operation?

MAESTRONE: Yes.

Q: Oh, that's interesting.

MAESTRONE: It was entirely civilian. That was another requirement that was insisted upon by the Egyptians, that this be entirely civilian, and no military people were to be involved in this, completely a civilian operation. Although it was not specifically stated, we were very careful never to select retired personnel who had been with CIA or any of the other intelligence agencies. We did hire retired military personnel because we needed their expertise in terms of

identifying tanks, airplanes, etc. But these people were no longer associated directly with the military services.

Q: Is this still going on? I know that there is something there, but is this the same operation?

MAESTRONE: The American-Sinai operation was concluded in April 1982 under the Egyptian-Israeli peace treaty. This was one of the steps that was taken --

Q: What's happening now?

MAESTRONE: When the Israelis withdrew completely from the Sinai, at that point the American operation closed down. It was turned over to the multinational force and observers, I think it's called, MFO, which again was something that was insisted upon by the Israelis, and in which there was to be American military participation, as well as participation from a number of other countries, I think, nine or ten other countries.

Q: Under the aegis of the U.N.?

MAESTRONE: No, this did not come under the aegis of the U.N., because the Israelis would not agree that the U.N. would be involved. They were, and continue to be, very suspicious of the U.N. So it was a separate operation, an international operation set up, in effect, by the United States, Israel, and Egypt.

Q: While you were director of the Sinai support mission, were there any specific problems or crises?

MAESTRONE: There were a number that came up about various Egyptian deployments, etc., at least, that the Israelis reported their intelligence had picked up. But our practice was to, naturally, inspect these challenges from either side immediately, then to hold a meeting between the Egyptians and the Israelis themselves, at which we were merely observers. We would present the facts of our inspection, and then allow them to discuss and settle the problem. This helped to build a good working relationship between the Egyptian and Israeli military, which served to be part of the development of their relationship under the peace treaty.

H. FREEMAN MATTHEWS, JR.

Director of Egyptian Affairs

Washington (1974-1976)

Deputy Chief of Mission

Cairo (1976-1980)

H. Freeman Matthews, Jr. was born in Bogota, Colombia in 1927 during his father's tour there in the Foreign Service. While growing up, his family also lived in Cuba, France, and Spain. He enrolled at Princeton University, but his

graduation date was pushed back because of his service in the Korean War. After graduation, he went to work for the State Department in 1952. In addition to Egypt, he served in Italy, Switzerland, Spain, Vietnam, and Mexico. He was interviewed by Charles Stuart Kennedy on April 20, 1993.

Q: So we have you going into the senior seminar then going to the Egyptian desk from '74 to '76. Would you explain how that came about.

MATTHEWS: Well there was something called the Global Outlook Program, GLOP. My understanding is that this came from Henry Kissinger having gone to a conference in Mexico as Secretary of State. A cable came in from Europe talking about MBFR and Henry couldn't find anybody who knew what the initials stood for, let alone what some of the policy behind it was. So he was kind of outraged and thought there was far too much specialization among these Latin American employees and therefore he decided that there ought to be a spreading out of talent, different people in different bureaus so there wasn't too much concentration.

So, at about the time I was coming out of the senior seminar, each bureau was required to take on somebody who had never worked in the bureau before. I ended up on the Egyptian desk, Country Director for Egypt, never having set foot in Egypt and not knowing a thing about it. The only time I had been in the Middle East even, was spending one night in Beirut en route from Saigon to Madrid.

Anyway, it was a fascinating time because this was just after the '73 war. We were just beginning to establish relations. So I came on to the desk in June '74. Hermann Eilts had arrived shortly after the war but didn't become Ambassador until the Spring when the Egyptians and ourselves decided to exchange ambassadors.

Hermann was Ambassador in Cairo, and the Spanish flag was finally hauled down off our embassy there, having been there for 7 years during the time we had no relations. It was a very active period because we were anxious to take advantage of the momentum that had been started by our having brought about the end of the war through diplomacy, to try to make a new breakthrough in our relations with Egypt and with the whole Middle East. So it was a fascinating period to have been on the desk.

Q: How do you come up to speed? I mean here you are, the Middle East has sort of been the minefield for the foreign service for 50 years or more, so here you are in there.

MATTHEWS: If I had greater advance notice that I was going on the Egyptian desk, having been in the senior seminar I could have spent a lot of time reading about Egypt and trying to get myself prepared. But I only found out about this something like 3 weeks before the seminar ended. The seminar by the way, was maybe the best year I had in the foreign service.

Q: Did you concentrate on anything particularly?

MATTHEWS: We always had to write a senior paper and I wrote mine on international water problems drawing on my experiences in Mexico with the Colorado River.

I wrote a paper on three water problems. One that I hoped was in the past, namely the Colorado River problem because that had been, we thought, resolved with the efforts of Herbert Brownell and the agreement we finally reached with Mexico on quality of water of the Colorado River. The second problem, the more current one, had to do with something called the Garrison Diversion Project in North Dakota, which would involve diverting water out of the Missouri River into a small tributary called the Souris River which flows into Canada.

A big dam would have been built called the Garrison Dam. It would have had major ecological and other impacts on North Dakota and further down the river. Among other things, it would have diverted water into the Souris flowing north into Canada and on into Hudson Bay. This would have brought what they call, biota -- microorganisms -- from the Missouri River and American rivers such as the Mississippi and others that flow down into the Gulf of Mexico, north into Canada, which had not had experience with these kinds of organisms from this system. Furthermore the water would not have been high quality water, it would have been run-off water. And unlike with Mexico, our agreement with Canada on water did include provisions dealing with quality. In effect it said we should not divert waters from one country into the other that would adversely affect the quality of water in the other.

There were also impacts from the proposed Garrison Diversion on a lot of wildlife in North Dakota. It's an area where there's are numerous flyways for birds flying north and south. And there was considerable controversy about the whole project.

I ended up going to Canada and talking to people in the Canadian government in Ottawa; going to Winnipeg and Manitoba which is where some of the water would have ended up; and then going into North Dakota a state I'd never been before. I spent about 2 weeks driving all around North Dakota talking to farmers and all sorts of people. Fascinating experience. Then I came back and ended up writing the paper.

The paper then got distributed to a lot of people in Canada and North Dakota that I had spoken to. It caused something of a furor because it became a domestic political issue in several races in North Dakota. I was accused of having interfered in one side or the other there. One of the Congressmen complained that I was going to cause his defeat because he had been in favor of the Garrison Diversion and I'd come out strongly against it.

So it was a very fun sort of paper. The other part of the paper dealt with a possible future water problem which concerned the waters of the Usamasintra River that rises in Guatemala and flows into Mexico. They had no agreement on what ought to be done with that water.

I flew down to Guatemala and talked with the Guatemalans. Frank Meloy was Ambassador at the time, one of the last times I saw Frank before he was assassinated in Beirut. Anyway, it was a fun time. The whole year was a really good year. This is kind of a diversion.

But I did not know I was going on to the Egyptian desk until a few weeks before the end of the course. If I had known, I could have done a lot of reading, even perhaps written my paper about something to do with Egypt. I could have written it on the Nile which a later member of the

senior seminar, Richard Benedict did. He wrote his paper on the Nile and came to Cairo and visited us. He wrote a wonderful paper, and excellent paper.

Anyway, how I got up to speed on Egypt was more by osmosis than any other kind of process. It was one of those things where you get plunged into it and you begin to learn.

Q: What would the Director of Egyptian Affairs be doing, what were your main concerns, what did you do in the '74-'76 period?

MATTHEWS: As I said earlier, the major effort was to try to build a relationship with Egypt that would be lasting and that would turn the Egyptians towards peace with Israel and away from war. Henry Kissinger was tremendously interested in what was going on with Egypt. In a sense, he was almost the desk officer, so it meant that practically everything I did had a very close eye from him on what was happening.

I had several very good bosses above me. The hierarchy was from Kissinger to Joe Sisco who was the Under Secretary for Political Affairs; Roy Atherton was the Assistant Secretary for Near East and South Asian Affairs; and Hal Saunders was his Deputy and the one to whom I basically reported. So those were all very highly qualified, very excellent people, especially Hal Saunders whom I had tremendous respect for.

A major part of our efforts involved dealing with the Congress on their interests on what was going on in Egypt. A lot of effort was put into trying to coordinate the different aspects of our relationship.

There was not much of a military relationship during that early period. Kissinger was very leery of trying to encourage the Egyptians on that side. On the other hand, the Egyptians were very anxious to get the benefit of our military expertise and our military weapons. Sadat was fond of saying that Egypt had beaten the Israelis. It was only when the United States entered the war, as he called it, on the Israeli side that they were able to overcome the initial Egyptian advances. That's not entirely true, but there is something to it.

Of course with the new relationship, our military was very anxious to get in there, to get a foot in the door. They had dreams of glory as to what the military could do there. So there was a lot of trying to keep them under control. In fact, Kissinger had laid down a rule that there were to be no high level visits to Egypt unless he personally approved. This stuck in the craw of the Pentagon considerably because they really wanted to send a lot of people over there.

Then there was of course the AID program that began to build up. That was something that we tried to keep a close eye on too. A Man named Bob Nooter was the Assistant Administrator for the Near East, an excellent fellow.

Then there were all the problems of a growing mission in Egypt. When Hermann got there, he was the seventh American in what was then the American Interests Section of the Spanish Embassy. It gradually grew over the years, much to Herman's disgust. He didn't believe in large staffs and he resisted every increment.

In the beginning it was clearly necessary to beef up the staff and they had myriad problems. So I was much involved in a lot of the backstopping of the embassy there -- trying to get more people assigned there; backstopping them on housing; and all sorts of day-to-day aspects of development.

One way in which I tried to get up to speed on what was happening there was to get out on an orientation trip as soon as I could. I was able to do that fairly early on, and I went to Egypt, Saudi Arabia, Jordan, Syria but I didn't go to Lebanon. That helped to give me an initial idea of what the area was like. It was very valuable to have done that and it was also a way to meet Hermann and to see what the embassy looked like.

As time went on, I guess the major event that took place during my tour as Country Director was President Sadat's visit to this country. This was in 1975 and was the first visit by an Egyptian Chief of State ever to this country. So it was really played high in the headlines. As I said earlier, Henry Kissinger was very much involved in everything that had to do with Egypt. So he kept an extremely close eye on everything that had to do with that visit. He really wanted it to be a whopping success. He got into all sorts of details.

Q: Can you give any examples?

MATTHEWS: He personally inspected all the public statements that were drafted. He checked all the menus, he checked guest lists of people who were invited to dinners and things. We had 2 or 3 meetings with him with Protocol on the issue of where the Egyptians might hold their return dinner after the White House dinner, the formal dinner, because this was a State Visit. He had all sorts of ideas as to where the return dinner might be held because he was anxious that this be a unique occasion.

One idea he had was to try to have it in the Botanic Gardens by the Capitol. I went down there and looked at that.

Q: There isn't any room.

MATTHEWS: It's not a good place.

Q: It's a hot house.

MATTHEWS: It's a hot house. It would involve moving a lot of plants to make room for this. So we searched all over and ended up having the return dinner in the Headquarters of the Order of the Cincinnati on Massachusetts Ave., more or less opposite the Cosmos Club. It did turn out to be a big success.

But the whole visit was extraordinarily exciting. These were questions of where the various events would take place, who was going to be at the airport, all that sort of detail. It was very highly concentrated, long, long hours, trying to keep track of all of this.

Q: It was President Ford at that time. Were you involved as a note-taker or anything else at any of the meetings?

MATTHEWS: No I wasn't. Henry, because of his extreme interest in this, usually insisted that either Joe Sisco or Roy Atherton be present to take notes at all of these meetings. Even when the Egyptian Ambassador came in to talk to Kissinger, I don't think there was a single occasion when I was able to get in to be with Kissinger on such a meeting.

The one time that I did go in for a meeting was, when the British Ambassador called on Kissinger, and I suddenly got a summons with no warning on this, to be prepared to come up and take notes at this meeting. I had no idea what it was about, why I would be called in for the British Ambassador. I was waiting in the anteroom when I suddenly got called in and Kissinger said, "take notes of this".

There were several people in the room and it all had to do with China. I was absolutely flabbergasted. I didn't know the names of any of the people, I didn't know who was in the room, I didn't know who these Chinese were that they were talking about. There was a very civilized conversation and here I was scribbling away trying to keep track of them. Of course Henry wanted verbatim notes. I don't know what the hell I would have done if I really had been the one that had to produce a report on it, but fortunately there was somebody else in the room whom I guess was the Chinese desk officer who said, "Don't worry, I know what it's all about." He said he was astonished at seeing me there.

Anyway, basically it was typical Kissinger. First he didn't know me even though we met briefly in Vietnam when he had come out on a visit for LBJ back in the earlier days. Maybe he didn't have total confidence in his own GLOP program. In any case I never took notes on any meetings with Kissinger. There was always someone more senior. And this wasn't only me, with most of the people in the bureau, Kissinger wanted somebody who was much more senior to take hold of these things.

Anyway it was a very exciting time and Sadat of course addressed a Joint Session of Congress, a very extraordinary thing. There was the dinner at the White House, my wife and I were not invited to the dinner, but we did get invited to after-dinner and danced right next to the Fords. Sadat and the Egyptians didn't do any dancing, any public dancing, that was their choice.

The return dinner at the Order of the Cincinnati mansion on Massachusetts Ave., was a very grand affair, very pleasant, very nice. I had written a toast, as I had for the White House dinner, and it was all put on cards for President Ford. I was sitting at a table with Walter Cronkite and one of the Kennedy sisters and several other people but not up near the front. There was a big table in the center with Ford and Sadat and Kissinger and various other people.

It came time for the toast and Ford stood up with these cards in his hands and it was virtually the same toast that I had written, very little changes. So naturally I thought it was a good toast. President Ford got to the end of the toast and put the cards down and said, "Now let us all raise our glasses to the friendship of the people of the United States and the people of Israel."

I thought Kissinger was going to fall under the table, everybody at the table gasped, Cronkite said, "Did I hear what I heard?" Nobody could believe what had been said and poor President Ford said, "I mean, I mean the people of Isr of Egypt." It was just awful. I guess it was just that people were so used to anything to do with the Middle East -- "it's the United States and Israel, it's the United States and Israel" So that gaffe.

Q: Ford was renowned for these gaffes. What was your impression during this period of Sadat? I mean what were you getting? Here he was the new boy on the block when he first came in, when Nasser died.

MATTHEWS: 1970 I think.

Q: He was considered quite a lightweight. But obviously we already had at least a, not a disastrous, war in '73. What was the feeling about his abilities and all?

MATTHEWS: I ended up as a great admirer of Sadat. I think most people who dealt with him did, I mean I was not the only one, most of the so-called Arabists starting with Hermann Eilts, all thought he was an extraordinary man. He almost from the beginning understood the importance of creating a favorable impression with the American public and the American Congress. The result was that he gave interviews, live interviews in some cases, but interviews to large numbers of American reporters including some of the fancy media leaders who came out.

He also devoted great attention to congressional visitors. Over the course of the time that I was there, he received over 400 American congressmen and senators, an extraordinary number. He never turned a single one down. It made for quite a burden of course on the embassy to try to take care of all these people. But he was just a wonderful spokesman for Egypt. He came across on American television just beautifully. I think most people reacted to him very, sympathetically.

His phraseology, his English was fairly good. One problem with his English was that he spoke better than he understood, which is sort of the reverse of a lot of people. So he sometimes didn't quite get what was said to him but his speaking was excellent. He just charmed the pants off of virtually everybody who came to see him.

His visit to this country was played to the hilt. I think he had a major impact especially with the Congress. The idea that Egypt and Israel should be on a par in terms of financial assistance or economic assistance, a few years before that would have been unthinkable. But he turned it around virtually singlehandedly with his skill in dealing with people. I saw him numerous times off and on; I would often be the one who would have to take congressional people around to see him.

I can remember many times sitting where he liked to receive people down at his relatively modest house at what they called the Barrages, which was a small dam on the Nile River in the Delta. He would receive them there and talk to them. Or, even better, he liked to receive them in Isma'iliya, at his house on the Suez Canal. You could see the ships passing by on the Canal. He would talk to visiting delegations about what had happened during the crossing of the Canal in the 1973 War. He always referred to it as 'the Crossing' or 'the October Crossing'. There was

even an Egyptian magazine called "October" to celebrate the October crossing of the Canal.

He was very proud of that because the Israelis assumed it would be impossible for the Egyptians to cross the Canal. In fact they had, and they surprised the Israelis in the '73 war in a rather astonishing fashion. They'd caught them asleep because it was Yom Kippur. Anyway, it was very dramatic to have him down there at Isma'iliya sitting under the palm trees, with ships going by on the Canal while he explained to his visitors what had gone on.

There were lots and lots of good visits that he had. He really went out of his way to receive even the most minor congressmen. Without exception, they all came away severely well impressed.

Q: What was the feeling, particularly on the time when you were on the desk, we'll pick up the Cairo bit a little later, about his control of the political situation within Egypt.

MATTHEWS: Certainly in the beginning he had very firm control over what was happening. Over the course of his period as President, gradually there were democratic institutions that were brought forward, there was less direct control over what was going on. There was often political opposition to what he was trying to do from various sources, some left-wing people who felt that he was betraying the legacy of Nasser, that was a frequent theme.

There were even back then the beginnings of the fundamentalist views that he was too liberal, in the sense of not following the strict principals of the Koran. Although he himself was a devout Muslim, and said his prayers five times a day, and had the famous mark on his forehead from touching his head to the ground. But there was some political opposition, especially in the earlier years. It didn't amount to very much. Members of The Peoples Assembly would speak out against him and there were various clerics who preached against him. Over the years there became increasing criticism over his lifestyle, a lot of feeling that he lived a little too high on the hog. Of course there were a lot of palaces that were left over from the days when they had a royal family. He used a number of those palaces around Cairo and Alexandria and there was criticism of that.

There was also criticism of Madame Sadat, that she was far too westernized, that she was part English parentage. She was a very charming lady and had a lot of style. She also became very popular especially with women in this country and other places abroad. But there was a lot of feeling especially among the more fundamentalist people that she was not playing the role of the traditional Muslim wife, that she was doing a lot of things that were of doubtful virtue for a good Muslim wife.

Q: Heavily into birth control, family planning.

MATTHEWS: That came later, she became quite a spokeswoman for birth control and for women's rights. There were a lot of changes in the domestic laws on the rights of women in Egypt. This brought criticism of her and to some extent of Sadat. In terms of the impression they both made on the American public, I think they did an absolutely marvelous job.

Q: When you were in Washington, did you feel the lash of the Israeli lobby at all? I mean here

you were, I mean there must have been concern on the part of the Israelis and their strong supporters here in the United States.

MATTHEWS: There certainly was, but on the other hand, I had the impression there was a lot of feeling on the part of the American Jews that this was perhaps an opportunity to bring about some settlement in the Middle East. I think many people agreed with the old dictum that in terms of peace in the Middle East, there can be no war without Egypt, there can be no peace without Syria. So there was a strong belief on the part of many American Jews in the Zionist and the Israeli lobby in this country that if they could get the Egyptians to adopt a more peaceful attitude towards Israel, this was a major part of the game in trying to protect Israel's security.

There was a lot of opposition to any sort of military assistance to Egypt, and I think this is one reason why Kissinger was so concerned about encouraging any Egyptian ambitions to try to get American assistance. In fact, any real American military assistance didn't start to flow until after we succeeded in getting the peace treaty between the two countries. There was the beginning of assistance before that but it was very carefully measured and I think the constant effort that we, and I think especially Kissinger, had to make sure that this never exceeded what the Israeli lobby and the Israeli government were willing to go along with. Of course they were especially concerned about any sort of offensive weapons that could be brought to bear against Israel.

The lobby itself of course was very powerful. I think the lobby had a difficult time trying to adapt its methods of operating to the new idea of a charismatic Arab leader, somebody who was appealing to the American public.

Q: Their worst nightmare in a way.

MATTHEWS: Not at all like Nasser. I wasn't involved at the time but from all accounts he was not somebody that the American people fell in love with.

Q: No, he was confrontational, made a nice villain in a way.

MATTHEWS: Exactly. Whereas this fellow, Sadat, was a whole new ball game. He was very clever. Sadat tried to encourage a number of prominent American Jewish people to see things differently in Egypt.

Sadat also, eventually made a number of different steps in such things as the boycott in trying to appease American Jewish feelings about what was happening.

Q: In following with your new knowledge, you went off to Cairo, where you were from '76 to '80. Is that right?

MATTHEWS: Yes. I had a couple more trips to the area. I helped escort one big congressional delegation that went to Egypt, Israel, Jordan, Greece and Iran. That included Tom Foley who was then, I think, the second ranking man on the Agricultural Committee. It included wives. That was a very interesting trip because it included a Senator from New Hampshire and another Senator, neither of whom are in the Congress anymore, and in addition to Foley, it had some

other very bright congressmen and their wives.

It was interesting to see how they reacted to the different places that we went. It was my first experience of seeing Sadat with congressmen there in his own country and he did a very good job indeed.

I was also impressed with the Israelis. I had been to Israel on that one earlier visit and in both cases they knew exactly who I was, what my background was, they had a complete bio of me. Our program in Israel was over booked, I mean every single minute was taken care of. They took us all over the place and they followed a concerted careful propaganda line of what they wanted us to see, what they wanted us to understand from it. All sorts of details that showed very careful forethought, very careful planning, and a lot of experience in dealing with American visitors whom they wanted to impress. It was quite interesting. In Tehran we had a session with the Shah, and we saw a lot of things there.

But anyway, then in April of 1976 Frank Maestroni, who had been the DCM in Cairo under Hermann, was named Ambassador to Kuwait. A bit to my surprise, Hermann said he would like to have me as DCM. I think this probably surprised a lot of people because I didn't have any Middle East experience. But nevertheless, I thought it was great and was very excited about going.

So I got there, in April or May of 1976. I first went out without the family, and they came along later in the summer after school was out. Thinking back on those first days in Cairo, the Embassy did some renovation on the house that I was to live in, which was the one that Frank Maestroni had been in, and so I lived in the Embassy compound when I first got there, in an apartment. So, not having my family there, I quickly fell into the bad habit of spending many, many hours there in the embassy. But it was a fascinating place.

It turned out that Hermann was primarily interested in having me act in the role of keeping track of what was going on in the embassy, especially to ride herd on the administrative side of things, which was a very difficult chore. We had a succession of Administrative Counselors over the 4 ½ years that I was there, of various abilities. But the continuing problems of trying to run that embassy were considerable, especially as it grew in size -- with all the problems of shortages of housing, an enormous AID mission that came in there, all sorts of problems with customs, telephone service, water shortages, appliances, virtually everything you could think of on the administrative side of things. Security was a major issue.

Q: Was there concern as this thing grew, I mean we have while you were there, the results of the growth of both our mission but also our commercial presence and all blew up in Iran. I mean it still reverberates today. I mean putting just too many Americans into a foreign culture particularly one like the Iranian culture, what about in Egypt? Was this a concern of the Ambassador's and of yours?

MATTHEWS: It was a major concern. Hermann was very worried about it, I think he had a visceral feeling about excess staff. He was a very conscientious public servant among other things, he felt that it was a waste of money and a waste of everybody's time to have too many

people on the scene. They just got in each others way and it was not a good idea to do it. It was wasteful and something he didn't agree with. He fought every single increase in staff, tooth and nail, but he got eventually beaten down.

Especially on the AID side, they kept saying, we've got to have the people here. If we don't there are going to be scandals, the Congress is going to be on our backs because we don't have enough people to keep an eye on what's going on. And so the place just grew like topsy. But he would bitterly complain to virtually anybody who would listen, he complained in letters and memos and so forth.

When he finally retired, he wrote a famous piece about the terrible problems he had with too much staff. It became a rather controversial piece because I think he said a bit more than he really intended to.

It was very, very difficult to try to keep this back. One aspect of it was that the Egyptian people as a whole were very welcoming to Americans. They were so happy that after 7 years of no relations at all, that here the United States had come in there and we were welcomed with open arms. I remember the first time that I was in Egypt, walking back from the embassy to the hotel and an Egyptian man, obviously lower class, came towards me as I was walking along the road that runs along the side of the Nile. This fellow came towards me and I could see him staring at me intently, as he came up to me he stopped and said, "Are you American?" I said, "yes I am." He said, "Welcome, welcome." He put his arm out around me.

This was the kind of feeling that you had, that everybody was very happy to see the Americans there. So there was not the kind of pressure that you had that you didn't want people there.

The one thing that did slow us down was the availability of housing, which was very hard to come by. Electricity was very erratic and very poor. Water was unsafe to drink, if you had any water. Often the apartment elevators would break down.

Telephone service was really terrible, totally unreliable, you could not call the airport, it was not possible to call the airport. So if you had a delegation coming in and the planes were delayed or something, it was hopeless. In the beginning it didn't take all that long to get to the airport but later on it could take you as much as 2 hours to get out to the airport, so it was a real disadvantage not being able to maintain contact with it. Eventually we found out that the Office of the Presidency, Sadat's Chief of Staff, did have a special line that ran out there, so if it really was important we were able occasionally to make use of their telephone line to get a message to or from the airport. For a long time it was very hard.

Finally what happened was, through our AID program we were able, through a satellite, to call from downtown Cairo to the airport on the satellite. To go up into outer space and back down again, a matter of 15 miles out to the airport. But there were a lot of problems of that nature that gave us a good way to try to hold off the hordes of people from various agencies that wanted to get out there.

Q: What was your impression of the AID program? It's such a huge thing but did you have the

feeling, you'd seen what happened in Vietnam, were we doing the same thing? In a way getting into everything.

MATTHEWS: I don't think we were doing it to the extent that we did in Vietnam. Major efforts were made to try to keep our program tailored to the real needs of the country and not get into big demonstration projects or building museums or great monuments to American AID. But the Egyptian needs were very great indeed. A lot of our AID turned out to have to be in PL 480 wheat, providing food for the country. We made a lot of efforts in urban renewal and trying to build housing and sewage, telephones, electricity, a lot of infrastructure type efforts. Eventually these were fairly successful.

I think Egypt's major problem, and I think it still is despite considerable effort, is population growth. I mean it's just growing out of sight and the numbers of people there just boggles the mind. There was some resistance to population control, some of it on religious grounds -- some of the Muslims disapproved of it, some of the Coptic Christians also had problems with it. Just the sheer difficulty of persuading people that it was no longer necessary to produce 10 children in order to have 5 that survived who could continue to work the farm. It took a long time to get this message across. I think it's improved to a substantial extent but it still is higher than it ought to be. In those years population growth was just destroying any efforts to try to raise the standard of living.

One of the major problems, and I'm afraid this was to some extent Sadat's fault because he kind of encouraged it, was that the Egyptian people came to believe, that with peace was going to come an improvement in their daily life. Sadat encouraged this, he would give impromptu statements or he would give speeches which suggested that the reason he had made a certain concession to the Israelis was that this was going to bring peace and when peace came, life would be better for everybody.

The people took this to mean not simply that their sons would not be going off to war and be killed in battle, but it also meant that bread would be more abundant and food would be better and housing would be more available and life would improve. Of course those things didn't happen. So I think there was a great deal of disillusionment that gradually set in. I think that is one of the root causes of the problems that Egypt is facing today.

It's not simply fundamentalism. I think the fundamentalists efforts, and the increased interest in fundamentalism in Islamic rule, has come about through frustration on the part of a lot of the people that they don't see any other way to improve life. Therefore they're returning to whatever was there before the Koran. They were encouraged by the Islamic students and clerics that if they could just get unified and form an Islamic state, that then they would be able to cut back on corruption, and do away with the fat cats who were living high on the hog, that then there'd be more for everybody. I think that the fundamentalists profited from the disillusionment of the people that life, in fact, did not get better.

And of course, one of the inevitable results I think of a large AID program is that some of the money gets filtered off to places where it shouldn't go. So you saw a lot more Mercedes in the streets and a lot of television sets. I think most of our people in our AID program were capable

people. Don Brown was the AID Director throughout the time that I was there, the brother of Dean Brown in the State Department side of the foreign service. He tried very hard to make the AID program something sensible, that made a difference.

But I think also one of the problems, as with AID all over the world, was the tremendous amount of congressional interference with the heavy requirements that are placed on AID to justify everything they do, and the budget cycle that is required for the AID programs. It's just extraordinary that no sooner are they finished working up their budget for this year, than they're working on the one for the next. In the end it's just a continual effort to keep up with congressional requirements. It's not just large sums of money but every little project has to have umpteen justifications for what they're doing. It wastes an awful lot of people.

Q: What was your impression of, say, the political section in Cairo? Did they have good contacts, were they out and around? I mean, how did they work?

MATTHEWS: I think they were very good in my day. They did get around a lot, I think they kept plugged in to the different parties, the different religious groups. I think they made a real effort, they did a good job. I think their reporting out of Cairo was outstanding. We had some very good people there that turned out very good work.

Q: You didn't find CIA and State were at odds, you didn't have the feeling that this was, I won't say a rogue operation, but it was going its own way or something like that?

MATTHEWS: No. I think that it was partly Hermann Eilts that kept on top of things. Nobody dared get out of line on something like that. He insisted on seeing all the traffic that went back and forth. I think I saw virtually all of it too.

At one point we had some problems with our attachés' office.

Q: You're talking about the military attachés.

MATTHEWS: The military attachés. They tended to go off in sort of different directions and they were specially suspicious of people in other agencies. We had a bit of a problem there from time to time.

Q: I've heard stories that, maybe not particularly at this time but at other times maybe earlier on or something, that the American military from time to time, I mean all of a sudden they would discover that there was sort of almost a joint exercise going on or Generals were coming out that you didn't kind of know about. Things were happening.

MATTHEWS: That didn't happen while Hermann was there, he kept a very close eye on anything that happened. And also while Henry Kissinger was Secretary of State, he kept a close eye on the Washington end of things. I knew very well from my experience being on the desk that no senior military people went out there without permission. Kissinger got an NSC order out that there would be no high level visits to Cairo without State Department approval. We had a pretty good lock on that.

Q: Constant vigilance was the name of the game. It was during the period that you were in Cairo that Sadat made his famous trip to Israel. How did that impact on you? In the first place were you kind of getting ready for it? How did this come about?

MATTHEWS: The Sadat announcement that he would go to the Knesset, if that would bring about peace, came completely out of the blue as far as we were concerned.

To go back, there had been efforts, there had been a sustained effort by Kissinger through the various shuttle diplomacy trips that he had made, to bring about disengagement in the Sinai and also on the Golan Heights. There had been various stages of Israeli withdrawal. By the time that Sadat made his speech not too much had been happening for a while and it looked as though a stalemate had developed.

The question was, how were you going to get things off dead center and get them to move ahead. Of course by then Kissinger was no longer in office. Secretary Vance was Secretary of State and Carter was President.

Even though there were some efforts to move ahead on the peace front, not very much had happened at all. The Israelis were still sitting in the passes in the Sinai, we did have the Sinai field mission out there, a very interesting group of people.

Our American Sinai field mission was out in the Sinai monitoring the disengagement agreement. A lot of them had their families in Cairo which added to our problems of housing and so forth. They could have their families either in Cairo or in Israel, as they wished.

Anyway, I think what happened was that Sadat got impatient with the lack of anything happening and I think he was a great believer that if there was no sign of movement forward in the peace process, that things would turn around the other way and you'd head back towards war. And so he made this speech in the Peoples Assembly, saying that it was time to head for peace and that if necessary, he would go to the Knesset and speak to the Israeli people.

This happened just as a large congressional delegation headed by Majority Leader Wright [from Texas], who later became the Speaker, arrived with their wives in Cairo and I was the Control Officer, as I usually was on the big delegations. So there was great excitement over this statement by Sadat, the press was very interested. But people were not too sure just exactly what he meant -- whether he was really serious or whether this was sort of like saying, I'd give my right arm for a new car or something.

So the program was that the Wright delegation was to go down to the Barrages -- this little dam on the Nile where the former British engineer had a nice little house. It was nothing elaborate but Sadat liked to be down there and he liked to receive visitors there. It was only about an hour from Cairo, north on the Nile.

So we all went down there, several busloads. I think there was something like 20 congressmen plus their wives, plus staffs, so it was big, there were something over 50 people in all. A full air

force plane load of them. So we all went down there, and my wife went along because of the congressional wives.

We all sat around this big table at the Barrages and Majority Leader Wright said, "Mr. President, we've heard that you made the statement yesterday in the Peoples Assembly about going to the Knesset, speaking in Israel. Would you explain to us what you mean by this. How serious is this?"

And Sadat said, "Well, I will tell you. But first we must have some refreshments." So waiters came in with juices to pass around and he sat back and lit his pipe. When they were all through with that, then he said, "Yes I will go to the Knesset -- as soon as I am invited I will go. I'm going to speak to the Israeli people."

This was really dramatic, as this was the first time that it was clear that he really meant it, that it was not just a figure of speech.

Q: It wasn't the usual Arab hyperbole.

MATTHEWS: It wasn't just a figure of speech, it was something serious. So there was great excitement, Lots of questions, a very amicable session, very dramatic. Then what usually happened was that Sadat would go out in the garden and the guests would come out and they could talk individually to him in the garden outside. These sessions were always live with the press there, CBS and NBC and so forth.

So he got up to go, and my wife and I were standing over near the entrance, and as he started out the press photographers and the TV guys got right between us. So Sadat was here and the press was here and we were right behind them. The NBC guy said, "President Sadat, won't you be afraid going to Israel? Something could happen to you."

The most astonishing thing happened. Sadat was facing directly at us, and his eyes just glared and he said, "Never! Allah will protect me. 'I am going on a sacred mission.' Allah will protect me!" It was just startling to see him and he clearly believed it. He went out and people went on out to talk to him.

The delegation stayed on for a day or two in Cairo and then flew in their plane up to Aswan and Luxor, as part of their visit, and then they were to go on to Israel. My wife and I flew with them up to Luxor and Aswan.

In the meantime plans moved ahead very quickly and Sadat was to leave that day to go to Israel to speak to the Knesset. Wright said, "Well, you come with us. You and Nancy should come with us to Israel so you can hear this." I thought that would be really fantastic but then I thought, I just wonder how this would look with the DCM of the American Embassy in Cairo arriving with this group in Israel. I knew for sure I'd better check with Hermann, so I called him via satellite in Cairo. He agreed that it would probably be a mistake to do that, so we didn't go.

The Wright delegation went on and they were there when Sadat made his speech to the Knesset.

It was a very dramatic event. That really did push things off of dead center and moved things forward in the peace process. Things moved along pretty well then. Among other things it galvanized the Carter administration and got them really going hard on it.

That was really the beginning of that phase of the peace process.

Q: I assume the Camp David business, you were basically minding the store.

MATTHEWS: That was interesting because it went on for I think 13 days. There was virtually no news, if you remember there was a complete news blackout on what was happening. That also included any kind of messages to foreign service posts or the embassy in Cairo as to what was happening. So Sadat was there, Hermann of course went back and was at Camp David. That left me in charge of the embassy, trying to figure out what was going on. It also left Hosni Mubarak, the Vice President, also wondering what was going on.

He and I got to know each other quite well in this period because we were trying to figure out what was going on. He had me over in the course of that period, something like 6 or 7 times to his little house to try to learn what was happening. We would exchange thoughts as to how things were going and talk about other things too. But it gave me a chance to get to see him.

Q: What was your impression of Mubarak. Because he was sort of a cipher at that point, wasn't he?

MATTHEWS: He was not well known, and he was clearly a military man. He occasionally would receive congressional delegations himself. He worked very hard on his own English because at the beginning I don't think he had any English. I think perhaps now his English is better than Sadat's was.

There was never any question of his loyalty to Sadat, he was totally loyal to him. He had been an air force general before and actually had received training in the Soviet Union. As happened with many of the Egyptian officers who had gone over to the Soviet Union, it did not result in his becoming pro-Soviet. Quite the contrary, they came back unhappy with the Soviets because the their treatment they received there. I gather the Soviets, tended to look down on them and treat them as kind of subhuman species. So they were not favorably impressed by the Soviets.

He was very pro-American, but he tended to be a lot blunter than Sadat was. He was particularly strong in saying that Egypt ought to get more military assistance. He was much more forceful in trying to press for that. He was a very straightforward type of fellow, you didn't get the feeling that this was somebody you had to dance around with.

Q: How did you feel about our knowledge of the Egyptian military because we must have wanted to look at, I mean the military is a major factor. Nasser, Sadat and Mubarak all came out of the military. In a country such as Egypt you have to be concerned about how affected or disaffected the military is.

MATTHEWS: When we were there, there was no sign of any kind of disaffection within the

military. I think it came as a total surprise to everybody when Sadat was assassinated by members of one of the more elite units in the military. I never heard any inklings that there was disaffection in the military. I think that as with many countries, it's hard to get a handle on what is going on in the lower ranks. Among other things, certainly in the beginning, you couldn't just go out and visit a military unit.

To visit an Egyptian military unit, you had to get permission first. And in the earlier days, you had to get permission to even contact anybody in the Egyptian military, to invite them to a reception or a party, that had to be run through the Egyptian protocol office, the military office. The access that our military attachés had to Egyptian military was distinctly limited.

In terms of trying to learn about the Egyptian military, obviously there was a lot of interest on our part in the Soviet weaponry that they had. As time went on, the Egyptians became very cooperative and very helpful. Mubarak was especially helpful, personally, in working out some arrangements for us to receive not only samples of Egyptian -- acquired Soviet equipment, but I think we ended up even with an entire squadron of a large number of Russian MiGs that were then used in our combat training in this country so that our flyers could really see what the Soviet equipment was like. But there was a lot of effort put into that. The Egyptians ended up being very cooperative, very helpful.

While I think the senior officers in our military establishment were anxious to establish a good working relationship with the Egyptians, there were some, especially in the military sales side of it, who were looking for ways to make money and to strike hard bargains. Some of them, it seemed to me, were some of the worst examples of the merchants of death that you can run into.

I had an experience with one of them who came out there to acquire Soviet military equipment, to be balanced against the prices for American military equipment we were going to provide to the Egyptians. At one point Mubarak said, "No, we don't want any payment for this equipment," -- the Soviet stuff that they had -- "you can have that, it's a gesture from Egypt. We're not interested in trying to haggle over the price you pay for it. It's just a gesture of friendship from us."

Very clearly what he had in mind was that we would be similarly forthcoming on our side when it came to discussing prices for American equipment. Well, our side of the bargain didn't carry through. I think it was kind of a rude awakening to Mubarak and to the Egyptian military that we were very firm in our pricing, and not helpful at all in trying to meet the Egyptian concerns over military cost. This occurred considerably later in the period that I was there and I think it got even worse later on as significant amounts of American military equipment went over there and repayment schedules were set-up that ended up costing the Egyptians significant amounts of money. I think, at least in that instance, we treated the Egyptians unfairly, because they in effect, gave us Soviet military equipment which was priceless to us because some of it we never had seen before.

Q: How did you view the reporting from Israel? What was the reaction of the officers in concern with the embassy? I mean, you had the Likud government in, very tough, Begin was the Prime Minister, very aggressive government as far as what they were doing. We had an Ambassador,

Sam Lewis, who is considered by many Arabists to be too pro-Israeli. And again I'm talking to you because you weren't one of the 'Club,' you might say and watching this. What were you seeing the reaction from, you might say the Arabist group, who were there too, when they would get copies from Israel on all this.

MATTHEWS: You sort of pointed the direction of thinking there. It certainly is true that we all felt that the Israeli government was not doing what it could to try to further the peace process, and that our embassy in Israel was not being very forceful in trying to push the Israelis in the right direction. I also share the view that Sam Lewis ended up being very much pro-Israel, I think more than he certainly should have been. I also question his having accepted positions with Israeli institutions after he left being Ambassador. I think there are some ethical questions there.

I think that Begin was a man who with his background found it very difficult to give up anything to the Arabs. He was such a strong Zionist, such a believer in Israel and in the right of Israel to all of the land of Israel, as he described it. I don't know about Begin, but some of the people around him, including Arik Sharon have said the land of Israel extended well beyond just the West Bank and Gaza and the Golan Heights, well into Arab territories. Begin found it extremely difficult to give anything up of that nature. Very quickly after the peace treaty was signed, and the Israelis had to withdraw from the Sinai, this reluctance became very clear in the early autonomy talks, that were supposed to lead to the kinds of agreements that are going on right now between the PLO and Israel. That was supposed to have continued right on, following on the peace treaty with Egypt.

It didn't happen because, I believe, Begin really had not intended to carry through on the Palestinian side of the bargain. And if you recall, the Egyptians, and Sadat especially, were very concerned that it not appear that he was signing a separate peace with Israeli and casting the Palestinians to the side and not getting anything for them. So that Palestinian autonomy as part of the Camp David agreements was not simply, in Sadat's view, or in the Egyptians' view, a fig leaf to cover their peace treaty with Israel but was something that they were very serious about and that they thought would eventually lead to Palestinian autonomy.

I went to the first meeting of the autonomy talks in Beersheba in Israel. I flew over on Secretary Vance's plane, Vance came to Cairo. This was after Hermann Eilts had left and before Roy Atherton got there so I was the Charge ad interim. So we went to the very first meeting in Beersheba with Begin and Sadat and the rest of them. This was supposed to be the lead into the on-going autonomy talks. It consisted basically of set speeches, and some pleasantries all the way around. Then I flew back to Cairo on Sadat's airplane because I had no other way to get back, which was an interesting experience.

But the autonomy talks quickly floundered; there were several other meetings that were held with lower level delegations in Alexandria and in Israel but they didn't lead anywhere and eventually they were broken off. Nothing further happened on that front until we finally began to get some movement now with the PLO and Israel.

But I think that Begin basically didn't want to have to face up to the fact that the West Bank especially, but also Gaza, were going to have to be up for negotiation. I think also that he

renege on his commitments about settlements in the occupied territories. It was clear that he had agreed that there were not to be any further settlements but he continued to push them. I think that helped to destroy whatever confidence the Egyptians had in his word. There was a great sense of euphoria when the peace treaty was finally signed, but that quickly dissipated when it turned out that they were not able to reach agreement on autonomy for the Palestinians.

There was a further disagreement on the issue of the border at the top of the Gulf of Aqaba, in the area called Taba, where the Israelis redrew the map so that some fancy resort hotels in which Ariel Sharon had heavily invested could be considered on the Israeli side of the border. Eventually after long, long talks, that went on for several years, the Israelis finally succumbed to agree that the maps they had drawn were wrong and that the original boundaries were the correct ones. This again helped destroy any feelings that the Egyptians might have had for whether the Israelis were going to live up to their side of the bargain or not.

So it was very sad to think there was a possibility that things could have been carried on once you had that momentum going towards the peace treaty. But the autonomy talks didn't lead anywhere and then you had Sadat's assassination, which occurred after I left.

Q: You left there when?

MATTHEWS: I left in July 1980. He was assassinated the following October.

Q: You were mentioning there were some other things we ought to discuss.

MATTHEWS: One thing that I remember very clearly, it was during the same period, the time of the signing of the peace treaty between Egypt and Israel. What led up to that was that after Camp David Carter began a sort of mini-shuttle to Israel and Egypt to bring about the final agreement between the two countries. He had been to Egypt and then he went on to Israel and then he came back to Egypt to try to firm this up.

His visit to the area was one on which we had a total of 72 hours advance notice for a Presidential Visit to a country like Egypt. It was something! We had 36 hours advance notice of the arrival of the advance team. So it was a very busy time indeed. I had previous experiences with presidential advance teams when Nixon came to Mexico. These Carter people were a lot more pleasant to deal with than the Nixon team. But it still was extremely difficult to try to set up.

The Egyptians turned out to be quite efficient when they really wanted to put their minds to it. They ran an excellent program. One of the first things that happened was, when the advance team got there, the Egyptians said -- and I had already heard this from the Egyptians -- they would like Carter to make a trip by rail to Alexandria, just as Nixon had done when he came on a visit in the Summer of '74.

Q: It was about that time.

MATTHEWS: Yes, it was '74.

Q: Nixon having real trouble with Watergate went running off to Egypt.

MATTHEWS: It was just before I came on the desk. Anyway, they wanted Carter to do the same thing. The Carter advance team said, that's exactly the reason we don't want to do it. We don't want to do the same thing that Nixon did. Well, I said, you're going to have trouble persuading the Egyptians that's not going to happen. And of course the Egyptians insisted because that's what Sadat wanted. Sadat got it, that's what happened.

So it was just a whirlwind visit. In some ways it's better to have that short a notice because there's not a hell of a lot you can do. It was really something. We did have the train trip to Alexandria. My wife and daughter went along on it because the Carters were there and Amy of course was along. We all went up to Alexandria for an overnight stay. It was all very exciting. My daughter, who was only 20 ended up on a date with Hamilton Jordan one evening there.

We all stayed over in the Palestine Hotel down at one end of Alexandria. President Carter was lodged in the Ras-El-Tin Palace at the other end. I remember getting there very early in the morning and was walking around the Palace and suddenly in an inner courtyard, there was President Carter. He just appeared; he had some paper he was studying carefully and he stopped at a table in the middle of the room and worked on the paper. He suddenly looked up and saw I was the only other one in the room. I couldn't believe it but I guess there must have been a security guy nearby. Anyway, he smiled and said, good morning, and we shook hands.

It was very exciting with the president there. The crowds along the way on the railroad trip to Alexandria were just enormous. There were still some signs about Nixon on the walls as we rode by. Carter got a kick out of that. Crowds were wildly cheering with great excitement. The purpose of the trip was to try to break down the last barriers to the peace treaty. Carter got some further concessions from Sadat and then went on to Israel. I guess he got some further ones from Begin but not enough to cross the last t and dot the last i on the treaty. So he came back to Egypt and everybody was very glum.

He came back to Egypt just to the airport and we were all out there in the VIP lounge. Just Carter and Sadat and Vance and Foreign Minister Ismail Fahmy, worked in an upstairs room on the final details of this treaty. Finally, Carter came out and announced that President Sadat had agreed to the final point that Begin had insisted upon. Everyone clapped and cheered at this great news.

Carter, really knew all the details of everything that was going on there. He was the negotiator on this. I ended up feeling that Carter did a pretty wonderful job as President, at least in the Middle East. The whole time that he was President, I was in Cairo, so I ended up with a very different view than many other people did about his presidency.

Then after the treaty had been signed, on the trip that I had mentioned earlier, Vance came out to Cairo and we went on to Beersheba for the first autonomy talks. En route there was a ceremonial visit to a town (EL ARISH) in the Egyptian part of the Sinai up along the coast just before the Gaza Strip. There was to be the turnover from the Israelis to the Egyptians on the site. Then we

went on from there to Beersheba. Again at this time I was the Chargé d'Affaires between Hermann and Atherton.

It was very difficult making the arrangements to go into this place in the Sinai that the Israelis still had under their control, but they were moving out and the Egyptians were moving in. So we didn't know what was there and what kind of buildings we could use for the different meetings, etc. Trying to coordinate with the Israelis and the Egyptians, and the embassy in Tel Aviv, and trying to work out all the security arrangements, as well as the logistics was an absolute nightmare. The roads at that point, from Egypt into the Israeli part of the Sinai, were not very good but some of the transport had to be done by road. I flew over in Vance's airplane when he got there.

One of the really scary things was that we had received a report (we were always getting intelligence reports on things that might happen, terrorist attacks and so forth) that was particularly worrisome because it seemed to come from a pretty good source. The gist was that one of the press photographers on either the Egyptian side or the Israeli side, had been coopted by terrorists. His camera had been equipped so that instead of taking a picture, it was actually a gun and he could shoot through it.

So we did everything we could to get this checked out and to make sure all the different security people knew about it. Nevertheless when we got there, the press briefing was held in what looked like a small warehouse. The press were all sitting in rows down below with the principals and their staffs including me, up there on this platform looking down at the press. And here they all were with these cameras. It was a bit nerve-racking wondering if one of those things...

Q: No, no, no, don't take pictures!

MATTHEWS: One of the sad things was that the Israelis destroyed everything before they left, and I think they're planning to do the same thing in Gaza in the Golan Heights. I saw an Israeli TV program that claimed they were going to do the same thing in the Golan Heights, that they were going to destroy whatever they had there rather than turn anything over. This fellow in the Golan Heights said he was going to cut down all his apple trees if he ever had to pull out. That kind of thing is very sad.

Q: It's a very sad thing.

MATTHEWS: It sets a bad precedent. Anyway I think that is probably about it on Egypt. The last year I was there was with Roy Atherton. He was a very different kind of Ambassador than Hermann Eilts was.

Q: How did he use you?

MATTHEWS: I think a little bit more in a substantive sense than Hermann did. With Hermann, as I said earlier, and it took me a while to learn this, he didn't seek my views on policy, though he was grateful to receive them when I offered them. But he primarily looked to me not as a substantive adviser so much as somebody to run the nitty gritty of the embassy. Roy, I think

partly because he was the new man on the block, used me more in a substantive sense.

Being a DCM is a very interesting job because among other things, even though Hermann wanted me not as the substantive guy so much, when he wasn't there obviously...

Q: *You're in charge.*

MATTHEWS: It turned over. Even though he was a very active man, when he wasn't there, and that happened I guess maybe about a quarter of the time, it meant that I really did have to be both substantive and kind of executive thing.

Hermann was an extraordinary Arabist and a very fine FSO. He worked very hard and very efficiently. He spoke in perfectly paused sentences and could dictate the same way. A demanding but compassionate boss!

Hermann's hours and his work habits were also just a marvel. He was in the office early every morning and stayed late into the evening. In the 3 years that we overlapped there, I think he took leave only 3 days -- once he was sick, and once was Christmas and there was some other occasion when he was out. But otherwise he was in the office every single day. He didn't ask you to be there, but you know, if you weren't there he wondered where you were. Roy was very different, and it ended up much easier to work with him.

EDWARD L. PECK
Economic / Commercial Officer
Cairo (1974-1977)

Director of the Office of Egyptian Affairs
Washington, DC (1980-1982)

Ambassador Edward L. Peck was born in California in 1929. He received a B.S. from the University of California at Los Angeles in 1956 and an M.B.A degree from George Washington University in 1973. He joined the Foreign Service in 1957, serving in Sweden, Tangier, Tunisia, Morocco, Egypt, Iraq, Mauritania, and Washington, DC. In 1985, he was appointed as the Deputy Director of the Vice President's Task Force on Terrorism. Ambassador Peck was interviewed by Charles Stuart Kennedy in 1989.

PECK: Right. But they've also been paneled several months before so they could move in the summer. And there I was totally out of cycle. And I sat for two months in a windowless storeroom in the Deputy Secretary's office, while I finished off The Chief of Missions Handbook, which was still being done up.

Let me back up a bit. While I was in Porter's office, after the '73 war and the discovery by Henry Kissinger and Anwar Sadat that they had many things in common, the State Department sent a

three-man USAID team to Cairo to look at an economic assistance program. The head of the team was a fellow named Bill Templeton, who had been the USAID program officer in Tunisia when I was there. Templeton and his team came back and wrote a memo to Secretary Kissinger, through Porter, from AID and NEA, recommending a \$70 million assistance program for Egypt, bearing in mind absorptive capacity and budgetary restrictions. I looked the memo over for Porter, because that was part of my mandate, sent it to him and he sent it in to Kissinger.

It came back out "Approved," and it said, "Make it \$250 million. H.A.K." [Snaps fingers] Two hundred and fifty million dollar aid program, just like that. Three months later I was assigned to Cairo as the econ/commercial counselor. Largely because -- this is the oral history part that maybe is interesting -- largely because the ambassador in Cairo was a fellow named Hermann Eilts. Who wanted as his econ/commercial counselor somebody who knew about AID stuff. So he telephoned his former political/econ chief from Jeddah, where he'd also been ambassador, fellow named Fran Dickman. Fran Dickman had been my boss in Tunisia when I was watching the AID business there. Dickman said, "Take Peck," and so when Eilts was given a list of six names, the other five being honest-to-God economists, he took me.

When I got to Cairo I found out why. Eilts said, "I wanted you, Peck, because I am not going to have an AID mission. You are going to run the program. Why did you turn pale?" He said.

I said, "It's a two hundred and fifty million dollar program!" [Laughter]

He said, "I know it'll be a lot of work."

I said, "No, no -- uh, oh, eh, Mr. Ambassador, I can't do it. The commodity import program alone is seventy million dollars."

He said, "So?"

I said, "Well, if the Egyptians will order one little thing that doesn't have to have specifications and a call for bids, and its worth seventy million dollars, I can handle it. But if they order a hundred and twenty-six different things, with specifications and delivery and breakages and late shipments -- "

He said, "No AID mission." So.

Q: Why this aversion to an AID mission?

PECK: He wanted to have a small embassy. When I got there, Stu, President Nixon came through on what turned out to be his farewell peregrinations, in June of 1974. The entire embassy staff was able to fit into a two-bedroom apartment for the wheels-up party when Nixon left.

Q: Better explain what the wheels-up party is.

PECK: Oh, that's after that thing is over, everybody who's left -- the plane is off the ground, you get together, relax, and enjoy yourselves. By the time I left Cairo, Eilts was inviting for his

Christmas reception at the residence four nights in a row so he could get everybody in. I think I was the thirteenth American when I got there. When I left, I was one of three hundred and twelve.

But Eilts wanted to have a small embassy. It was an effort that was doomed from the start, but he didn't want a great big AID mission. The problems were greater than he was, because after I'd been there for about four months I was required to write his submission to Washington for the next year's AID program. I wrote a sixteen-page first-person telegram for the ambassador to send in, and we requested \$300 million, up from \$250 million. Washington approval came back for \$700 million.

Shortly thereafter, Ambassador Eilts had to give in, and a six-person AID mission came out, at the head of which was Bill Templeton, my old buddy from Tunis. By the time I left -- when I went to my last AID staff meeting -- there were ninety-three people in the AID mission. They built up to a hundred and forty-four later.

Q: What were you doing?

PECK: I was econ commercial counselor the rest of the time. We had a huge economic assistance program and enormous efforts to help U.S. companies make investments. We had delegations -- Bill Simon (Treasury Secretary) was out there twice -- all kinds of programs trying to save the Egyptians from themselves. It was in that assignment -- I am by this time an FSO-3, having been promoted while I worked for Porter. While I was there I got promoted to FSO-2. Took three years, I guess.

Anyway, I had another one of those chances to make a little bit of a difference. Certainly from the career perspective, but this was what we were talking about earlier, in terms of reporting. I'd been there for some months, and I still had not yet earned Eilts full confidence, which I later enjoyed. He called me in to tell me, for my ears only, that the IMF was coming in to sign an agreement with Egypt.

Q: International Monetary Fund.

PECK: Yes, sir. An agreement with the IMF was sort of the seal of acceptance on the Egyptian economy which would encourage donations from other countries that just didn't want to pour their money into the sand. To do an agreement with the IMF means you've made some hard decisions to get your economy back on the path to eventual solution of its major problems like unemployment, inflation, capital flight, and so on. Budgetary deficits. And he said, "Just for you to know." I went back up to my office, and I wrote a telegram. It was fairly late at night -- there's a sideline to that story -- saying that there would not be an IMF agreement and laying out the reasons why. I left that with his secretary, and I went upstairs again, and my bride of three months arrived, so we could go out to dinner.

The next morning I found a security violation on my desk. I'd left my safe open. The security officer, who was one of those hard-eyed guys said, "You're required to fill out this form, and specify what steps you're going to take to ensure it doesn't happen again."

So I wrote it, I said, "In the future, when my bride of four months arrives in the evening to accompany me on our social obligations that follow the work day, I will have her wait downstairs while I change clothes." [Laughter]

The security officer said, "You can't say that."

I said, "That's what I'm going to do." I'd forgotten all about that safe.

Anyway, Ambassador Eilts invited me down and said, "Now wait a minute, wait a minute. The Egyptians have told us that they're going to sign an IMF agreement. The IMF says they're going to sign an IMF agreement, and you say it's not going to happen."

I said, "No, it's not going to happen."

He said, "Well, how the hell do you know?"

I said, "They haven't told Anwar Sadat what it's going to cost yet. These are the ministers of Economy and Finance talking to IMF delegations."

Well, we argued about this a while, and finally, Eilts -- this touches on other things we talked about -- sent a cable into Washington, making it EXDIS, saying, for whatever it's worth there's a voice of dissent out here. It's the only voice, but you should know about it.

An IMF delegation came out, and the delegation went away, and they did not sign an agreement. Every other embassy in town, and there were eighty of them, all of those that cared, had been reporting the forthcoming IMF agreement, and the only guy who said there wasn't going to be one was right. People became much more interested in what I had to say. The IMF came out again in 1975, exact same scenario, and I was right again. The IMF came out a third time in 1976, and again I was right.

Q: What was the -- the essential problem was that Egypt had to straighten itself out financially?

PECK: Reduce subsidies, you know, on all kinds of -- consumer goods, begin to talk about closing factories and non-productive enterprises.

Q: All these political no-nos.

PECK: This is a standard thing, yes. I was home on consultations in December 1973, yes, and in early January, just before my leave was over, I was called in to the State Department to talk to the deputy assistant secretary in NEA called Sid Sober.

He said, "Ed, you have been predicting civil unrest for months."

I said, "I've never predicted civil unrest. I have reported that the conditions under which civil unrest might take place are increasing. Then the last thing in the world they're going to want to

do is sign an IMF agreement."

He said, "There's a delegation out there right now."

I said I'd known about it.

Well, they signed the agreement as I arrived back in Cairo on the 15th of January, 1977, and on the 17th they had the food riots. They burned buildings and turned over streetcars, and the police opened fire and all kinds of stuff. They unsigned the IMF agreement, okay. So I was right again, they weren't going to do it. They couldn't do it.

It was a marvelous experience working there. I had the enormous gratification of being any number of times right on with what was going to happen, although I was the only voice that was saying it.

For example, Egypt was going to allow foreign banks to open. Eleven American banks sent people out there, ready to go, and I kept saying, "You guys ain't going to be able to open for awhile." The Egyptians are not ready for the competition yet.

Finally, a group of them went to the ambassador, who sent for me, and he said, "Ed, these bankers think that you are partly responsible for them being unable to open."

I said, "Aw, I'm just telling them what's going on. At the very earliest, the very earliest, September of this year" -- that was in February -- "September of this year (1975), maybe one or two of them will be allowed to open."

Chase finally opened its doors in August. They wanted to know, "How did you know?" I just knew, I could tell. It was a wonderful ex -- loved Egypt, loved Egyptians, loved the crowds and the noise and the traffic and the dust. Loved the work. Fascinating, rewarding. They laid a Meritorious Honor Award on me when I left there.

Q: Well, now we had this AID program on which the ante kept being increased from what the ambassador or anybody else wanted by, I take it, it was Henry Kissinger? Why, and then how effective was it, as you saw it at that time?

PECK: I'm glad you asked because I wanted to talk about it and forgot. Because I use this in my lectures over at AID. Henry Kissinger, shrewd and astute statesman that he is, saw that the real purpose for the AID program was a very visible quid for Sadat's quo, or vice versa, I forget which comes where, of peace with Israel.

Q: This was -- had he (Sadat) made his trip to Israel at that --

PECK: No. That came in '77. But he'd already -- they'd made peace. There were various things going on. So Kissinger felt the assistance was the reward for that. But Kissinger made the kind of shattering mistake that a shrewd and astute politician and statesman can make at that level, because he turned over the implementation of this political program to an organization that's

dedicated to economic development. AID does not and will resist to the death doing something for political reasons. (Israel is the exception, where the money goes and there's no AID mission there to oversee how it is spent.)

AID sent over hard-working, dedicated, knowledgeable, experienced, trained, long-term economic developers. That means studies and overviews and papers and documents. It means you don't do much of anything for a long time. So that by the time the program had been in operation for just a couple of years, they already had a couple of billion dollars in the pipeline, because AID does not do quick, short, sharp, down-and-dirty stuff. Even if you want to order coking coal for your inefficient, Russian-built blast furnaces, it takes eighteen months to get it. Because you've got to have a call for bids, and then tenders, and then you award the bid, and there's an injunction and a lawsuit, and then the company maybe goes broke, and they're finally shipping the material, and it's late. A year and a half.

It took over three years to get the new buses, which were the one "impact project" that AID would agree to. I left before the buses ever got there, and I was there for three years. When the buses were finally delivered -- the contract was awarded to a company which actually went broke, they were a disaster, unable to handle the way they're used and taken care of over there. It's a shame to see those hulks driving around with the handclasp on the door, you know, "a gift of the American people." Broken, sagging, torn apart.

Anyway, the problem is that when AID gets its teeth locked into assistance, it becomes a long-range economic development program, and don't you forget it. I fought bitterly and viciously along with people like Art Lowrie and April Glaspie and others to get AID to put in some flexibility, make it responsive. No, no, and no.

So that Sadat and Mubarak, on their state visits, years later, when I was country director for Egypt, they said, "That's all we want from you. All what we want is some response to our needs and some speed of disbursement."

Q: Is there any way within our system as it was then, and perhaps today, that one can make a fast response?

PECK: Sure. The Israel case, in which we open a letter of credit and they buy stuff, and we pay for it, and it goes as fast as they can spend it, for whatever they want. There's no AID mission there. You know, it's AID money -- the AID legislation restricts the kinds of countries to which you could give assistance. Israel's an exception because its per capita income is much too high to justify an economic assistance program or military sales, as far as that goes. But for political reasons, we give them a blank check. They could, if they wanted to, order forty million subscriptions to Penthouse. We would pay for that. Or four shiploads of pornographic movies. We'd pay for that. Because there are no restrictions.

The Egyptians cannot do it that way at all. Some of the money they get does not have to be repaid, but they do not get cash. They never get cash from us.

Q: But you saw, then, as a political exercise, that didn't work.

PECK: Oh, yes. By the time Mubarak came to Washington, and I wrote the paper to President Reagan from Secretary Haig on the visit, which was cleared by everybody, including AID, it said, "The economic assistance program, far from accomplishing any of the economic goals that either country had at its inception, has in actuality become a political millstone around the neck of the relationship." And AID agreed with that.

PECK: I personally felt -- this is a major digression but we're coming to it -- one of the greatest mistakes that American foreign policy ever made was to send Sam Lewis, a strong-minded, active advocate, to Israel where we didn't need one, and Roy Atherton, the balanced, analytical officer, to Cairo where we could have used an advocate. They went to the wrong places in my mind. I think that that's contributed a little bit to where the United States may have gone wrong in the Middle East. Yes, sir.

Q: Okay. Well, why don't we move on now to where we broke off last time. Let's see, we're talking about -- you left Baghdad in 1980, and you became the Director of Egyptian Affairs.

PECK: Yes.

Q: And you were there until 1982.

PECK: Yes, sir.

Q: First place, could you explain what the Director of Egyptian Affairs does, and then would you explain how we saw the situation in Egypt in 1980?

PECK: Yes. Sadat had gone to Jerusalem in 1977, which was one of the things that really I should have mentioned earlier, putting the kibosh -- whatever the word is you wish to use -- on U.S./Iraqi relations. It split the Arab world wide open, Egypt on one side, and everybody else on the other.

When my tour in Baghdad was coming to a close, after two and a half years, I received a call from Washington saying I was going to be country director for Egypt, a job I still desperately wished to avoid for a number of reasons which will come up in the course of this discussion. I asked for anything, anywhere.

And they said, "Ed, you know, you can't have your own Embassy yet."

I said, "Okay, I'll be a DCM, you could send me as DCM to a lot of places." At one point I was talking to Morris Draper, who was then the deputy assistant secretary of state in NEA, and said, "Maury, for goodness sakes, what about Scandinavia? You are talking to the State Department's foremost Swedish and Arabic speaker. How many Swedish and Arabic speakers do you have?"

There was a pause, and Maury Draper said, "Ed, we don't really need very many." Which I

thought was a neat line. I think it was the last relatively humorous comment he and I ever exchanged.

The Office of Egyptian Affairs -- the country directorate for Egyptian Affairs -- was, in theory at least, part of the NSC system.

Q: National Security --

PECK: National Security Council system. The key focal point in Washington, at which could be pulled together all of the many threads which had to do with American foreign policy affecting a country Egypt for example. State, Defense, Commerce, CIA, AID, USIS, the National Science Foundation, and the Social Security Administration -- everybody, supposedly was coordinated through NEA/EGY, the office of Egyptian affairs. It was a huge operation, being run by a very small office. One of the reasons for this was that -- I don't want this to sound overly harsh, but I use it because it conveys the picture: People have often said that the Israeli tail wags the Middle Eastern dog as far as U.S. policy is concerned.

Q: I don't think there is any doubt about that.

PECK: Well, it was certainly true in the Egypt/Israel relationship. The key country was Israel. Not that Egypt was ignored or set aside, but the major, the dominant force there was the U.S. relationship with Israel, in every imaginable way. That was part of it. Secondly, with the passage of time, a series of country directors in that office had unsuccessfully fought the loss of control to Defense, to CIA, to AID, where there were major programs going on in Egypt, and on which it was very difficult to stay fully informed and up-to-date.

Illustration. When I arrived to take over that office, against all my better instincts, I was fascinated to discover that EGY was no larger in numbers of people than it had been before relations had been reestablished: when the embassy was tiny, when there was no AID mission, when there was no military assistance program, when there wasn't all of the other thousands of things that had grown up in the intervening five years. It was the same size staff.

I made what was the first of many critical mistakes, because I arrived and immediately said, "Hey, you know, we're too small."

They said, "How can you tell? You just got here."

I said, "Well, look. We have by far the world's largest economic assistance program -- not in terms of dollars because Israel gets more -- but in terms of people and programs. The Israeli program has nobody there. Egypt has an enormous program with billions of dollars in the pipeline and hundreds of people in the field. It has an enormous military assistance program, the largest by far because of all of the people we had there with training teams and missions, all the programs." (Israel, again, gets more money but has no U.S. personnel involved. It handles its own program.)

I said, "Despite all this we still have a dinky little office." It took me just about a year to get the

staff increased. One of my greatest achievements was getting the extra people into the same office space. We did this by -- I joked about it -- having bunk desks, where people had to work one above the other.

This was indicative of the overall problem. I was told by two of the people who brought me into the office that one of the reasons that they wanted me in charge of Egyptian affairs was that I had a reputation, not necessarily a desirable one -- as a shin kicker. And they wanted somebody to come in and pull everything back together in one place. I think it was at that point that my superiors made a serious mistake.

Q: Who were your superiors?

PECK: Well, the assistant secretary at that time was Hal Saunders. My immediate superiors were Morris Draper and Michael Sterner. Sterner's specialty was the Egypt-Israel peace process. Draper had Egypt as part of his regional fiefdom. But the error was that they forgot what shin kickers do. Shin kickers kick shins.

Having started out by kicking shins over the size of the staff, I got even further askew by making a tremendous fuss over something that I thought was indicative of the problem. The Israelis and the Egyptians both had forces in the Sinai along the cease-fire line, or the peace line, and the United States was engaged in monitoring the two sides to ensure that they did not cross over or build up too close to the line.

All of that was handled by the Office of Israeli and Arab/Israeli Affairs, known as NEA/IAI, so that if the Israelis complained that the Egyptians had a troop movement or an airplane or an overflight or something, the complaint was made by the Israelis to the embassy in Tel Aviv, which reported to State, and the instructions to Cairo were drafted and sent from the Office of Israeli and Arab-Israeli Affairs.

I came in and said, "Hey, that message is to Cairo."

"That's right."

"I do messages to Cairo, right?"

"Wrong."

I went to Mike Sterner, and I said, "You can't do that. It's to Cairo, it's to the embassy in Cairo, and it's being drafted out of IAI and it shows somewhere in the cable. In those days it showed who had made the classification, you recall that period?"

Q: Yes, I recall that. Yes.

PECK: It would show David Korn as drafter. Everybody in Cairo knew that David Korn was Director of IAI. So I told Sterner that the system had to change.

"No, that's the way I want to do it", he said.

I would arrive in the morning for work and find a comeback copy of a telegram, "Secret No-Dis from Sec-State to Embassy Cairo, for the Ambassador," calling Atherson back for consultations. Drafted and sent from the Office of Israeli and Arab-Israeli Affairs. I said, "You can't do that. All of the officers in my section and elsewhere see that cable, and they see that it was drafted and sent without being shown to me. You are undercutting the very functions you want me to perform: To take charge of Egypt."

"That's the way it's done here."

Well, I fought that, gently, quietly, relentlessly, you know, unsuccessfully. Shortly after I arrived in June, the November presidential elections took place and Reagan came to power. In January of 1981 we had a new team in the bureau. Nicholas Veliotos came in as the assistant secretary for NEA, Maurice Draper and Mike Sterner stayed on. Peter Constable, the senior deputy stayed on.

Nick Veliotos was an old associate of mine, and I picked up the cudgels again, trying to establish my primacy in the State Department by pointing out to my superiors that elsewhere in Washington, by tenacity and abrasiveness and abusiveness and competence and energy, my officers and I had really gotten back into the saddle in terms of managing Egyptian affairs, but the one place where we had failed was in the State Department. I was unsuccessful, and a lot of things happened which were unfortunate.

As an illustration of the kind of problem that I had, Ashraf Ghorbal asked to come in to see the Secretary of State.

Q: *Who is this?*

PECK: Pardon me. Ashraf Ghorbal was the Egyptian ambassador, a Harvard Ph.D., extremely competent, very gifted, very aggressive, very energetic, very assertive, very well-connected, very much respected and liked. He had access everywhere. Other people in the Department of State would process long, lengthy papers asking for a meeting with the Secretary of State. In the case of Ghorbal, I would get a call from the Secretary's office saying, "He's coming in to see the Secretary of State two days from now. Give us a paper."

So I would call Ashraf, "What's it about?"

I did a paper once covering a meeting that Ghorbal wanted to have with the Secretary in which I listed the five topics he wanted to cover, one of which was the refusal of President -- by this time -- Mubarak to go to Jerusalem to meet with Begin. Mubarak said he would go anywhere else, but not to Jerusalem. The Israelis were very upset.

So I sent the memo forward, fully cleared from all sides, to Secretary Haig, from Nicholas Veliotos, saying here's what Ghorbal wishes to talk about. The next morning when I came in, and the meeting was early in the morning, my deputy showed me, without comment, a copy of that memorandum, which had been totally rewritten. Haig apparently had caught it late at night and

had sent a request down for more information on the Jerusalem aspect. The bureau had called in the IAI Director, who totally rewrote the memo, focusing on only one issue, the Jerusalem visit, and had resubmitted the memo. My bureau sent it forward without ever telling me what was happening.

I went immediately to Peter Constable, the senior deputy, and said, "You know, goddammit, you cannot do this and expect the person who occupies the chair in my office to function as the country director for Egypt, when you guys, right in here, will do something like this." I berated him, I think, and probably should not have.

He remained silent, and I left. Went down the hall and berated Draper, my immediate supervisor, who had cleared the message. I said, "You're cutting" -- forgive the expression -- "you're cutting the nuts off the very guy you're expecting to try to run that office. You cannot do that, you bastards." Or something along that line. Well, it cost me.

Egypt was a key country. The United States was hamstrung in the relationship by a number of our own failings, one of which was the primacy of Israel in that bilateral relationship, and regionally as well. Many of the things that we might have considered doing for Egypt, if it had been in North Africa or somewhere else, we could not or would not do because of the concerns of Israel as reflected or as modified by the optic of the Israeli lobby in the United States.

The Israeli lobby, by the way, I define as everyone -- and there's an awful lot of folk -- who believe very strongly that it should be that way. I don't limit it to Congress, I don't limit it to fundamental Christians, I don't limit it to Jewish-Americans, I don't limit it to anybody. It's a great accretion of people and forces. But this was the major inhibitant.

The second one was that Egypt, despite the fact that everybody loved Anwar Sadat, who was, as I said once in a press briefing before he came to this country, sort of the Walter Cronkite of the Middle East. When I made that comment at a foreign press briefing, a member of the Israeli press who was present, broke in and said, "Mr. Peck, if Anwar Sadat is Walter Cronkite, who is Menachem Begin?"

I restrained a very strong tendency to say, "Attila the Hun," and I said, "I haven't thought about that. I don't work on Israeli Affairs."

But Anwar Sadat was a great fuzzy puppy, loved, revered, respected and admired by almost everyone, not terribly "ept," not exceptionally competent, but certainly, as far as Americans were concerned, a wonderful guy, who, in addition to being a charming, open individual, had made peace with Israel. I mean he had no enemies in this country, except some people who saw him as a danger to the existing American-Israeli relationship, because he was such a nice Arab.

Anwar Sadat sort of exemplified for me the problems that we have faced in the Middle East, because I was terrified when I was watching TV in Baghdad and saw Menachem Begin, Jimmy Carter, and Anwar Sadat sitting down at Camp David to do Middle East peace. The reason I was concerned was fairly simple in my mind. Jimmy Carter wanted peace and love and brotherhood and understanding and friendship. Anwar Sadat wasn't really sure what he wanted except

something different than what he'd had, and the only person in that triumvirate who knew precisely what he wanted and had known for a long, long time, was Menachem Begin. This ties in nicely with my earlier discussion.

Q: *I was going to say, yes.*

PECK: Because Menachem Begin went through those two guys like a dose of salts. He knew precisely what he wanted to get, and by the way this is not in any way to be considered a denigration of the man. He had known for a long time what he wanted. And Anwar and Jimmy didn't. Jimmy Carter, I still remember, a wonderful man, a nice guy, he could have been a Foreign Service officer, being terribly distressed and upset when he discovered after the accords were signed that Menachem Begin intended to build more settlements. You remember that great dust-up?

Q: *Yes, I remember.*

PECK: Carter said publicly many times --

Q: *These are more settlements in the occupied areas.*

PECK: Carter said -- he didn't use these words -- "I've been betrayed." "No, no, read what you wrote. Read what you signed," Menachem Begin said. "Yes, we were going to stop building settlements for the next seventy-two hours" -- whatever it was -- "and then go right on with it." Carter and Sadat, from the perspective of what they hoped to get, were seriously had by Menachem Begin. Because they didn't really know and Menachem did.

Anyway, by the time I got to the Office of Egyptian Affairs, things were pretty much of a mess, and the relationship was beginning, if not to sour, was beginning to lose the bloom. The Egyptians unthinkingly, unrealistically, kind of expected that when they had their new relationship with the U.S., all of their problems were going to be solved. I stood on the roof of the Nile Hilton Hotel in June of 1974, when Anwar Sadat and Richard Nixon crossed the bridge from Garden City into the heart of downtown Cairo, through Tahrir Square, which the Hilton Hotel overlooks. It was wall-to-wall Egyptians as far as the eye could see, and the reaction was extraordinary. They lifted the roofs off buildings with the cheering and the shouting and the love and the power, and up on that twelfth floor roof we could feel it. You may recall that Nixon said later, "You can turn people out, but you cannot turn them on." Had I been Richard Nixon, I would have carried that moment -- perhaps he will -- to the grave.

Because it was extraordinary, it was unbelievable Stu, and it was unrealistic, because the Egyptians said, "At last, peace with Israel (damn them), friendship with America, and aid programs. Alhamdulillah, all of the bad days are over." Egyptians are not particularly practical when it comes to those kinds of issues any more than Americans. The Egyptians expected us to do everything. We announced, as I think I said earlier on, millions of dollars in assistance, which the Egyptians never saw, really. We announced billions in assistance, which in Egyptian terms is a drop in the bucket, even if we'd given it to them in cash, which we didn't. Even we had used it to provide them instantly [snaps fingers] with things that they could see and use. Which we

didn't.

When I came to the country directorate, everything had become fairly routine. It was no longer that exciting that they had peace. Anwar Sadat was a known factor. He'd had his long television interviews with Barbara Walters, with Walter Cronkite, with everybody. He was available, he was open. When I was in Cairo in '74 and '5 and '6 and '7, we had hundreds of Congressmen, hundreds of Senators and cabinet officers came through -- and he saw them all. Repetitively and openly. Talked in his open, warm, intelligent, you know, dignified, capable way of his dreams of various things. Well, the bloom was off the rose.

The American Embassy was enormous. It was described then as the largest overseas mission. No one really knew how large it was because people were coming and going by the score.

The biggest problem I suppose was with AID, which had managed by that time to have a couple of hundred people there, and a list of projects that was so long that really computers alone permitted us to keep track of what they were, let alone of where they were, what was happening with them, the status. The fight to make AID responsive to Egypt's needs from within the embassy had long since failed.

As the result of Egyptian demands, the Secretary of State had designated one American official, Maury Draper, to oversee ten high-impact -- which is to say rapid implementation -- AID projects. By the time I got to the desk, the first five or six meetings or seven meetings had passed, and they'd had papers written, and it had just kind of evaporated, because by their very nature AID programs are neither rapidly moving nor fast disbursing. American and Egyptian bureaucracies deserved each other, and the AID approval process was something that had to be seen on paper to be fully believed, let alone understood.

I came in to, had to, rejuvenate this effort, and was unsuccessful. Draper is an extremely competent, very, very capable officer, who wasn't able to devote the kind of attention that he perhaps should have to the AID program, and never really understood what it was he was dealing with. At one point he raged at me when I suggested that even commodity purchases under the AID program took eighteen months to arrive in country. He could not accept that fact, and he said, "Don't be ridiculous," and literally did everything except throw me out of the office. I had to come back and show him the messages explaining that eighteen months was indeed extremely rapid delivery of a commodity purchase, and that quite often it went over two years. He'd never gotten far enough into the business to understand this. By the time Sadat came, in June --

Q: Visited here.

PECK: Yes, sir. He came as the first of the Middle Eastern visits to the Reagan Administration. He came in June of '81. I was able to clear a paper from Secretary Haig to the President on what it was all about, that visit. And to say in it, with a clearance from AID, that the economic assistance program, far from achieving the economic goals which either country had set, has actually become a political millstone.

Q: Ed, you were saying about the visit of Sadat to Reagan in '81. About aid not producing what

people thought it would.

PECK: It didn't, and I guess it's one of the central factors in that relationship. Not the only one, but it's worth a reference because it underlies some of my concerns about the fact that our foreign policy formulation and implementation is fortunately, I guess, a kind of a diffuse, diversely oriented effort, and I forget whether it's on one of these tapes or in one of my lectures that I've talked about the mistake that Henry Kissinger made when he set up a huge aid program-

Q: *That idea that it would be -- it was a political rather than a --*

PECK: Yes, and we had no means of implementing it other than going to AID with it, which has other reasons for existing, and if you will permit me to say this, a different agenda. I mean that's a part of its mandate. But the AID program was so difficult to get hold of, so huge, hundreds of people, thousands of telegrams, messages, teams back and forth, that it was impossible for the Office of Egyptian Affairs, which had one economic officer, to try to keep track of what they were doing. Out at the American Embassy, where the AID mission was larger than the embassy - - State Department component -- by a magnitude of eight to one, they couldn't keep up with it either. There was no machinery for saying, "Hey, wait, wait, wait. Don't do that." Until all of a sudden you discovered that they were doing it, or, in some cases, had done it. Making decisions, signing contracts, sending people.

I offer you a microcosmic illustration of the problem. Draper, a very forceful, dynamic officer, called me in shortly after I arrived to show me a telegram from Roy Atherton, of whom there are fewer competent men.

Q: *He was ambassador to Egypt.*

PECK: He was the ambassador at that time, having been assistant secretary. He said, "For the Lord's sake, stop the flow of visitors. Everybody is up to their collective asses taking care of visitors. We can't get any work done." You know, with escorts and teams and cars and drivers and hotels, airports, the usual business. He said, "Do not forget that we have a presidential directive that all executive branch visitors to Cairo have to be approved at the State Department.

So Draper said, "Peck, get in there and get a handle on the visitors." We had a presidential directive to all executive branch agencies, says you can't go unless you get approval. Well, how do you do this? You set a shin kicker to work, and I had schedule boards and timing charts and tables and all kinds of stuff in no time.

What I discovered instantly was that if I shut off another delegation from Defense by refusing permission, Defense would call up the Ambassador, who would say, of course, come.

I got my trusses sawn off by the embassy so many times, that I got on the phone finally at one point to the DCM, Henry Precht, to say, you know, "You bastards! You're urging me to stand up here and stop these people, but you won't help me do it." I would stop somebody, and they would call someone in the Department, or one of my bosses, or somebody in the embassy, and just run right around me.

I was never really able to stop anyone. I sent some messages out to Cairo, which was being buried in visitors from all the military commands in Europe, who flew down with their own airplanes and fifteen people on board and all the rest, and I said, "Look, it's a very simple thing to do. When you get a telegram from Lieutenant General Glotz, tell him that the General and his staff, consisting of two people, may come, but no airplane."

And they said, "What'll that do?"

I said, "Well, then he won't come." Because Defense will say, "We cannot afford to buy airline tickets, but we can afford to send down a four-engine plane with all the people on it." The embassy was complaining bitterly that the attaché's office was spending all of its time taking care of the passengers and crews, and the security details, and also there was a very unconscionable U.S. presence always at the airport, with the big planes out there and all the uniforms running around.

I said, "Stop the planes, and the people won't come, or if they do come, it's manageable." But the embassy wouldn't do it. So I said, "Well, then, goddammit, don't bug me anymore." I shut off a three-man photographic team from OPIC -- Office of Private Investment . . .

Q: Corporation or something.

PECK: What is OPIC? Overseas Private Investment Corporation. Anyway, they wanted to go out and photograph potential site, for two weeks. So I stopped them, and OPIC called up and got an okay from the embassy. Anyway, it was a hopeless fight, in which whatever I did, it was wrong. But I was constantly being berated for trying to stop people and constantly being upbraided for not stopping people. It was highly frustrating for someone like me who cared, you know.
[Laughter]

Q: First, before we move past this, what was our reaction -- not just the initial reaction, but the reaction of the Office of Egyptian Affairs and of the State Department when Sadat was assassinated and Mubarak came in?

PECK: Let me get to that in one second. Because I forgot to touch on one of the key things. One of the frustrations that I had. When Sadat came, Assistant Secretary Veliotis told me that he had secured the Secretary Haig's concurrence in the fact that the -- what they call the scope paper, the very short paper that went from Haig to President Reagan on the visit, would only be cleared in the Department by NEA, by the under secretary for political affairs, and by the secretary himself, period.

Well, I wrote the scope paper. It was a pretty good one, and I cleared it throughout the Washington bureaucracy. So it tended to be a little bit of a waffle.

I want to digress for one second. I got into a great fight with a political appointee who'd come in to be a staff aide to one counselor. I sent him a paper on Egypt once, and when I got all the clearances in, I did the final paper and sent it forward with copies to everybody. This guy called me, no names in this particular case, and he said, "Goddammit Peck, you sent that message, that

memo forward."

I said, "Yes, I did."

He said, "You did not make all my corrections and changes."

I said, "I make substantive changes only, not linguistic changes. No "happy" to "glad" or "large" to "big"."

He said, "I had some good phrases in there."

I said, "So did ninety-three other people. I'm not going to sit here and put together a composite message written by twenty-six different offices. You cleared the substance; the message went."

"Well, goddammit, I'm going to see about this."

I said, "Well, you better hurry", and hung up. Because I haven't got time to let people play with words. Everybody changes words. I'd spend the rest of my life fixing it.

Well, back to the Sadat paper. Veliotos came in to EGY and told me, "I'm sorry. We have to get two more clearances within the Department. The paper has to be sent to the Office of the Counselor, who was --

Q: Technically number three person in the embassy, sometimes.

PECK: Pardon me, no, the counselor to the Secretary, whose name was Bud McFarlane. And to the Office of the Policy Planning Council, run by Paul Wolfowitz. So I took this fully cleared message and sent it to those two places, and it came back with one major change. I bring it up now because I thought it was kind of interesting at the time and I still do.

I had written that "Anwar Sadat will seek three things from his meetings with you, Mr. President. First, the establishment of the close personal relationships that he has had with your predecessors and which are very important to him, both personally and as the leader of the Egyptian nation. Second, an indication that the United States intends to continue its economic and military assistance programs at something approximating current levels, at a minimum. Third, some sign that the United States Government remains committed to a solution to the Palestinian problem."

That last phrase had been crossed out in both copies that were returned to me and substituted therefore was a phrase which said, "Third, the United States remains committed to improving quality of life on the West Bank and in the Gaza Strip."

Well, I called the people involved in the clearances and I said, "Hey, look. Perhaps you're misunderstanding. I'm not making any value judgments or recommendations on whether the United States should or should not be committed to a solution of the Palestinian problem. I'm only trying to tell the President what Sadat is looking for."

"Well, I'm sorry you can't say that."

I said, "But I'm not really saying it. I'm saying it because the President should know that -- "

"The language stands as changed."

Well, I went to my bosses and my bosses' bosses, and the changed language stood. And I thought to myself at the time that that was an incredibly inept and unsanitary way to handle U.S. relations, because you could have added a phrase just saying, you know, "Sadat stupidly seeks" or "incorrectly expects" or "something that we have no intention of doing." You could do that. But I thought it was unseemly at least, to remove what everybody agreed was one of Sadat's objectives. One of the people involved told me, "You cannot use the word Palestinian in that paper." Which I thought, boy, now that's dangerous and dumb. Well, realistically speaking, that is, of course, the way politics -- and foreign affairs are a form of politics -- that's the way politics work. You sweep certain things under the rug.

It was the first time that I had had my face rubbed into it so drastically, because -- I don't mean to be boasting about it -- but I fought that. I went upstairs and got into voices raised discussions with the people involved and lost, because they were not going to let me say anything about a U.S. commitment, or U.S. interest in, or U.S. awareness of.

I said, "How about an increased U.S. awareness of his (Sadat's) desire to get the Palestinians -- "

"No."

I could not find a formulation which carried in it a modicum of truth, that would satisfy the two people who had a lock on what that paper was going to say. I found that distressing. Perhaps I should not have. People who were senior to me, who understood what was happening, were somehow better able to say, well, you know, that's the way it is. Actually, I suppose the White House knows better.

Q: But of course this shows how the bureaucracy can work to ill-inform a president.

PECK: Yes, sir, but it wasn't the bureaucracy in this case. The people involved were outsiders.

Q: Well, the outsiders -- I mean they were still part of the bureaucracy. They were put in on top of bureaucracy.

PECK: They had a separate agenda, those two individuals, and they felt, rightly or wrongly, that that kind of phraseology, or the concept which that phraseology embodied, threatened -- forgive me, I don't mean to overstate the case -- the future and security of the state of Israel and the well-being of its citizens.

Q: Well, now, in the first place we're talking about Bud McFarlane as the counselor, and who was the other one?

PECK: It was not Bud himself, it was his office. And Paul Wolfowitz, it was his office. I'm sure they saw the language, sure they saw the language.

Bud McFarlane -- I digress. Bud McFarlane met with all of the country directors of the key Middle-Eastern-end-of-the Mediterranean countries, because he was asked by Al Haig to take a special role in the area. And now I will recount an incident, as I recall it, from a meeting that I had -- that meeting with Bud McFarlane.

He said, "Ed, you were recently in Baghdad."

I said, "That is correct."

He said, "Surely, surely, Iraq's leaders have enough sense to see that the real threat, the only meaningful threat, comes from the advance of godless communism, and that their best hope for salvation lies in lining up, arms linked, with Syria and Israel to stand against this hostile challenge."

And I said, "Uh. Well, no, not really. They don't get on well with Syria and Israel."

He said, "But that's what they have to do, cast aside these little, you know, the petty little things of the now, and get set for the big one."

And I said, "Well, um, that's not very likely."

And he was literally unable to understand or accept the fact that the leaders of Iraq for one, and of Israel and Syria for the other two, didn't see it that way at all. I was quite distressed to perceive -- well, my perception of his very limited ability to understand, you know, real politics if you will.

Q: Well, I might mention Bud McFarlane later became the National Security Advisor.

PECK: That's true. He became Deputy National Security Advisor and then went on to become the National Security Advisor and resigned just before the Watergate scandal unraveled.

Q: The Iran-Contragate.

PECK: Pardon me, that's what I meant to say. Did I say Watergate? Goodness gracious, shades of fading memories. The Iran-Contragate. Yes. Poindexter replaced him.

To go back. The point I mention about that paper was indicative of the kind of problems that I referred to earlier in the Egyptian-U.S. relationship. It was driven by other mechanisms. Sadat had an extraordinarily successful visit from the personal perspective up on the Hill. I went with him a number of places, and everywhere he went he was revered and loved and respected, trusted, a man of dignity, compassion, intelligence. I wrote for the president the toast to use at the White House dinner. By the way in those days, largely because Al Haig, with his military background understood these things, country directors went to White House dinners. They don't

anymore.

I wrote a toast which was great. It had some phrases in it that rang. "Trained as a soldier, you have indelibly inscribed your name in the history of achievements as a man of peace. Proud of your village heritage, you will be remembered as a man with global vision, etc." They trashed all of that and put in some nice film analogies and things instead, and they threw out this wonderful stuff which I thought was what the Americans thought about when they thought of Anwar Sadat. The military villager who'd become a statesman. Anyway, I thought it was great stuff.

Anwar returned to Egypt and on the sixth of October, while he was viewing the Independence Day parade, he was assassinated. Kwhap. And his place was immediately taken by the fellow who survived, standing right next to him, Hosni Mubarak. Incredible. He was well-known in this country, having come several times while he was vice president, and had received, in his own right, any number of people as visitors in Cairo. The transition was, you know, fairly smooth, it was -- except for that assassination and the troubles down in Assiout and elsewhere, there wasn't much bloodshed. Wasn't much. And the transition took place. Three former presidents, I think, three of them, no two of them.

Q: No, three: Nixon, Carter, and Ford.

PECK: Ford. All three went, as did Secretary Haig, to the funeral and afterwards. We had a task force up in the seventh floor Operations Center when Sadat was shot. After he died, we went back downstairs, and we had to do all the papers for these three former Presidents and a Secretary of State and this big delegation going to Cairo. The office was frantic, and all eight phone lines rang incessantly as people all over the country called up to find out about the status of their friends or their relatives. Since there was no task force, all the telephone calls came to the Office of Egyptian Affairs, EGY.

I went to see several people, saying, "For God's sakes, cut those lines! Snip those lines. We can't get a damn thing done with the phones ringing just constantly."

They couldn't do it.

So I said, "Well, in that case, give me three people just to sit in there and answer the telephone so we can get on with the work" -- and they couldn't do that, either.

This drove home personally a complaint that I've always had, that the State Department is a little bit like that famous cartoon just before World War II broke out. It showed a calm Uncle Sam at one end of a lifeboat, with the Europeans at the other baling wildly as waves labelled "Axis aggression", come in on all the sides, and Uncle Sam is saying, "Thank heavens the leak is not at my end of the boat."

Okay. Because at the State Department, you know, most people go home on time, even though one end of the building is fighting fires frantically as Latin America, Afghanistan, or whatever it is, goes down the drain. The Office of Egyptian Affairs was going stark staring apeshit, and there was no place in the entire Department of State where they could produce three people capable of

saying, "No, everyone is fine. We have no reports of problems!"

Q: And I have to say at this point, I know because I was one of them, and they had people walking the halls with no real assignments.

PECK: They could have pulled people out of FSI -- anywhere -- just to come in and say, "No, we have no reports." Anywhere! They could not do a goddamn thing, and it drove me wild. But of course, we just took the phones off the hooks and unplugged the consoles. It was really a source of great distress, because we had ninety-five papers, all of them thirty-eight pages long, or so it seemed at the time, to get done in three days. The inability to shift resources to where they are needed, as they are needed, is a great management failing at State.

Well. The relationship continued essentially unchanged with Hosni Mubarak. The United States had already done, seriously, all of the things that they could have done to undercut the relationship. During Sadat's regime they insisted that something be done prominently visible to show a commitment to Egypt's ability to protect and defend itself. Because when the Russians left, they took with them all their technicians, and the Egyptian military began to unwind as spare parts and maintenance began to play a role in making it ineffective.

The United States stepped up and sold Egypt a squadron of F-4s, the world's most sophisticated fighter-interceptor aircraft. The Egyptians had no one trained to fly them, to maintain them, to repair them, to check them out. So that was a serious problem. The Egyptians were horrified to discover that we had sold them those airplanes, using military assistance money set aside for Egypt, at a price higher than we had paid for the same F-4s when they were new.

Well, you see the reason for that, Mohammed, is that we have to replace these because they're coming out of inventory, and they cost more individually now than they used to. But since the U.S. buys a large amount, they cost us less individually. So you have to buy the old ones at the cost we initially paid for them, but we're replacing them with new ones which cost less than the old ones you're buying.

Uh, Stu, the Egyptians didn't like that. They discovered that the Israelis were also getting new F-4s for less than they were paying for used ones.

Q: The Israelis were buying more.

PECK: Yes. That rankled. That really ate into the core of the relationship, because the damned planes wouldn't fly, the Egyptians couldn't fly them, they could not maintain them, they're incredibly sophisticated. They had no technicians. They weren't used to that kind of airplane. It was a serious blow of a long-term nature in the relationship. They really didn't like that. Politically it was a savage, savage kick in the shins. Highly corrosive, because they still talk about it. Just as they talked about the fact that the highly touted aid program essentially went to line the pockets of American consultants. It's the kind of complaints that you hear now in Washington about what consultants are for.

Q: And with great validity.

PECK: Yes. Long-term studies of studies of studies. Very little that they actually could see or touch. The constant, as they perceived it, kowtowing to Israeli desires and Israeli issues and Israeli wants. During my tenure, the final Israeli withdrawal from the Sinai took place, and towards the end it became clear that there was quite a political turmoil within Israel, and the embassy kept reporting, like writing the press, about the agony of Israeli withdrawal. Finally, Deputy Secretary Walter Stoessel was sent to Israel on sort of a hand-holding mission to ensure that the Israelis actually went through with the final withdrawal, because they had some settlements -- remember Yammit?

Q: *I remember this.*

PECK: The settlers at Yammit had barricaded themselves and were going to fight to the death to stay.

Q: *Barricaded themselves, and they were -- yes, yes, I remember that, it was on the TV.*

PECK: Yes, big thing. The Israeli Army painfully had to remove their own settlers and all this kind of business. The settlers said, "By God, this is Israel. We fought for it, we bled for it, it's ours, we made the desert bloom."

There was a joke in the Middle East about the Israeli phrase, when they say, "You know how you make a desert bloom? First you make a desert."

Anyway. So Stoessel went off to do this, and telegrams came flooding back, written by my good friend Morris Draper, who accompanied him, and who talked endlessly about the agony of Israeli withdrawal. There was one telegram which I thought was highly illustrative of the problem, reporting a conversation between Walter Stoessel and Arik -- Ariel Sharon, a real hawk.

Q: *Was he minister of defense?*

PECK: Yes, he was at that time.

Q: *Of Israel at the time.*

PECK: And I quote this as I remember it. He said, "Walter, these Egyptians are not reasonable, they are not rational, they are not people that you can deal with, they are not people you can have discussions with. They won't even let us keep a little tiny piece of their country!" He was talking about Taba, at the peak of the Sea -- one second.

Q: *The Gulf of Aqaba.*

PECK: That's what it is, thank you, yes. Gulf of Aqaba. Which the Israelis just recently finally gave up.

Q: *We're talking about -- it was in 1989 I think that they finally gave up that. It was a piece of*

beach.

PECK: Piece of beach. The Sinai border came all the way down in a straight line, then, the Israelis said, it made this little hook around the tourist hotel and beach. Anyway, took them all those years to negotiate that out. But that was Sharon's line.

When the people came back, I made another one of those classic mistakes of my career. I berated Draper, my boss, for all of those telegrams. I said, "In the eyes of everyone else in the world, the withdrawal was a fantastic moment for peace, and brotherhood, and justice, and decency, boding well for the future of all mankind, and all you guys could talk about was the agony of the Israeli withdrawal." I said, "Talk about an altered optic, and a misbent focus. For God's sake, you guys never once put that into perspective or even made an effort to do it. The agony of the settlers withdrawing from the Yammit. It was a great, historic moment, you guys. It was not a horror and catastrophe."

Heavy silence. Heavy breathing. Dumb thing to do. However correct. However astute. Dumb.

I went on two of the final negotiating sessions for the Egypt/Israel Peace Treaty in 1982. It was a team headed by Michael Sterner, a good friend with whom I still play poker frequently. Mike Sterner had a permanent team, and I went along twice as the country director for Egypt. They thought it would be nice to throw somebody in. It was the final two sessions: one in Jerusalem, one in Cairo.

In the Jerusalem session, we arrived the day that the Israelis bombed the nuclear reactor in Baghdad. The embassy met us and said, "We're not even sure the Egyptians are going to show up."

They did, embarrassed, but disassociated themselves from (a) the fact that the meeting was in Jerusalem, and (b) the fact that the Israelis had just bombed Iraq.

While I was there, I took an afternoon -- I think a holiday occurred of some kind -- and one of the drivers that the team had said, "Come with me, because most people won't drive, for reasons which have nothing to do with our religion, but they think they do. Let me take you for a drive."

And he did, and he drove me to an Israeli city on the edge of the Mediterranean called Netanya, not far from Tel Aviv.

He said, "Mr. Peck, you see those hills right over there?"

I said, "Yes."

He said, "That used to be Jordan. They could sit up there and fire right into this city, and they did." He said, "Mr. Peck, no Israeli will ever take the chance" -- not Jordan, pardon me, the Jordanians were there, it was the occupied territories -- "No Israeli will ever take the chance of letting that happen again. Just remember that Mr. Peck."

I said, "I can understand what you're saying. From your perspective it certainly is comprehensible and understandable."

He said, "Let me take you now to Yad Vashem." Which is the Holocaust Memorial.

I said, "I don't think I want to go there."

He said, "That's why I want to take you there, Mr. Peck."

I can't remember this man's name, but he's well-known to the embassy. He drove me up to Jerusalem to Yad Vashem. That's a pretty grim place to which to go, it does violence to you internally.

When I went there, I had a young son who was perhaps three years old. Just inside the door, they had a large, very large blowup, very grainy photograph of the first efforts by the Einsatz Gruppen?

Q: *Yes. Einsatz Gruppen. These were the special units.*

PECK: Special German units who were killing Jews in occupied Russia as far as they'd gotten. As the beginning of the final solution. It's a photograph of a group of people standing at the edge of a very large open grave which is partly filled with bodies. And one of the people, almost the central figure, at least he was in my memory, is a man standing holding in his arms a perhaps three-year-old child and turning the child's head away from the firing squad, which has the rifles aimed at them. And that just goes right through your heart.

Q: *Oh, yes. Oh, yes.*

PECK: Right through your heart. I looked at that picture for perhaps longer than I should have because it's indelibly engraved, you know. The reason I put this unpleasant part in, is that I guess I want to get some balance in here. It's not easy -- change that totally. It is not at all difficult to understand why a Menachem Begin is a Menachem Begin with his background, with his history, both personal and that of his people. It's easy to see how he turned out the way he did. And you cannot, you know, forget that.

My concern with the Arab-Israeli question was that we always -- or so often, in my mind -- wound up doing things which may have been good for Israel but were clearly not good for us. So that when I get into discussions, when I go out to speak, and talk about American-Arab-Israeli relations, I always said, "Every country has the right, however misguided, to do what it sees as being best for itself. Israel does. So should America. In some cases we've not done what's best for us, because we've wound up doing things which people feel are good for Israel. I think that's a mistake."

In any event, I did have a chance to get into those negotiations and watch Egyptians and Israelis at work, and it was kind of a microcosm of the Sadat-Begin-Carter thing that I referred to earlier. The Egyptians, you know, just wanting peace. The Egyptians being like Foreign Service

Officers, wanting to negotiate, wanting to find some rational means for resolving issues. The Israelis, like Defense Department people, going with a single-minded focus to get everything they possibly could. There is no negative value judgment inherent in that statement. Surely they have the right to do that, and they did.

Q: Before we move on, Ed, were you on the desk of Egyptian Affairs at the time of the Israeli invasion of Lebanon?

PECK: Yes.

Q: How did you and your fellow colleagues see that, and how did you see the role of the Secretary of State at that time? This was, I'm not sure, I can't remember the exact date, but this is when -- well, you might explain what happened. But how did you all see that at the time?

PECK: It's strange that you should bring that up -- not at all strange -- it triggers some memories. The Israelis invaded Lebanon for a number of announced reasons, something that we had tried to talk them out of doing, because it was fairly clear that it was coming, and the United States made clear -- to use that word again -- on a number of occasions that they did not think it was in anybody's interests for Israel to do so, but Israel did it in the hope that they could do a quick, clean, you know, surgical --

Q: Surgical strike.

PECK: Well, people always try to do those things, and one of the outgrowths was they got bogged down in various activities. They did not succeed in destroying the PLO, although they sure kicked the crap out of them. In the early days they went through it like a hot knife through butter. And one of the outgrowths of this was the massacres -- by Lebanese -- of Palestinians in the Sabra and Shatila camps.

Q: But with the apparent, at least, benign acceptance by the Israeli forces.

PECK: Yes, the Israelis were there. The Israeli forces had control of the area, and they let the Lebanese go in and kill large numbers of men, women, and children, just bang, bang, bang, bang, in the streets and the houses without doing anything to stop them. It is not difficult to see why the Israelis might have overlooked that sort of thing from a national policy perspective.

But it brought down enormous amounts of wrath and anger and disgust and shame on their heads from around the world, including here in the U.S. I forget whether I've already told the story of running through the cafeteria, grabbing a quick lunch while that was going on, and having a former colleague jump up from a table.

Q: I recall something of this nature.

PECK: And he ran over and he said, "Ed, Ann and I have nothing against Israel, but we think it has gone too far. We are shocked and shamed at what's happened with the killing of these helpless people, and we want to register our beliefs that America should find a more balanced

approach to the Middle East. What should we do?"

And I said, "Write that down on a piece of paper, send it in to the editors of the Washington Post. On the morning that they print it, you'll get two telephone calls: a death threat from the Jewish Defense League and an offer of membership from the American Nazi Party." And that's the quandary that you'll find yourself in.

So it was at this point I think that my career took its final, negative turn. Because a meeting was called by an acting deputy assistant secretary in NEA, whose name was Charles Hill. Hill was also the director of the Office of Israeli and Arab-Israeli Affairs and was filling in for Maury Draper, who was somewhere.

He called us all in, all of us who were country directors for the Arab world, and he said, "The Secretary wants a memo today, to the President, detailing all of the advantages and benefits accruing to the United States as a result of the Israeli invasion of Lebanon. So you come up with all of the things that you can think of on the good side, in terms of U.S.: how it's viewed in the area, in terms of our access and our control and the role we play, and write all of this up."

I went out of that meeting and never went to a meeting in NEA again, except for those that were held on a daily basis for the staff. I was so appalled and so distressed that anybody could think that there were any benefits that derived in the Arab world, or that we would, you know, manufacture -- well, a paper went forward, talking about our balanced approach. I thought that was absolutely awful, because there wasn't a goddamn thing that we gained and an awful lot that we lost in the big picture because of that. I thought that was appalling.

Q: But this showed -- you feel that this really came from Haig.

PECK: Yes, I'm pretty sure it did.

Q: And so this is management from the top down.

PECK: There are many people who believe, and they could be right, that a solid, strong relationship with Israel is the best thing that America could have in the Middle East. But you can see advantages and disadvantages, you can see strengths and weaknesses in that approach. What he was trying to do was to ensure that the President was aware that it wasn't all downsides. Regardless of the press, regardless of what kind of mail you're getting, chief, there's benefits to be derived from this. I could see none. I was also coming to the end of my tour.

GORDON R. BEYER
Desk Officer, Egyptian Affairs, Bureau of Near East Affairs
Washington, DC (1975-1977)

Ambassador Gordon R. Beyer received a bachelor's degree from Harvard University and a master's degree from Northwestern before entering the U.S.

Marine Corps during the Korean War. After his term of service in the Marines, Ambassador Beyer joined the Foreign Service and was posted in Thailand, Japan, Somalia, Tanzania, Uganda, and Washington, DC. He was interviewed by Horace G. Torbert in 1989.

BEYER: Yes, 1975. In 1975, it came up what I would do next and, at this time, Free Matthews was on the Egyptian desk and he was looking for a deputy. Sam Gammon -- I had kept in touch with him -- was in the executive secretariat. So word came out, "How would you like to go on the Egyptian desk?"

I said, "Fine."

It was, I think, probably the most exciting job that I had in the Foreign Service in the sense that, in those days, Kissinger was the Secretary of State, Ford was the President, and there was this tremendous effort for the United States to get along with Egypt. We had had a break in relations that lasted about seven years. We reestablished relations in December of 1973. I went onto the desk a year and a half later.

In that year and a half, the Egyptians were trying to get established here. There was an effort to bring Sadat, who was the president of Egypt, to the United States on a visit. We had never had a chief of state from Egypt visit the United States. He was the first. Because, as the deputy in the old AFNE, and in AFE, I had handled a number of state visits, when it was arranged for Sadat to make his first visit, which was in November of 1975, Free said, "Okay. You handle the administrative arrangements of this thing" -- which I did do.

The only substantive thing that I really added to that visit was, there was a great deal of talk about the peace process -- this effort to bring peace to the Middle East -- that it was an ongoing thing, that it would take many, many years and, therefore, it was, indeed, a process. The thought was that President Ford would be reelected, but we knew at that time that President Sadat had a bad heart and had had a heart attack. So we thought that he probably would not continue, and the effort to establish peace in the area would fall by the wayside at some point.

So the thought was, after the official visit here in Washington, I suggested that we get these folks out of Washington -- the two principals and the two secretaries of state or foreign ministers and their families -- to talk about the future -- how things should go forward if either of them falters. So some wealthy Republican contributors in the Jacksonville, Florida area gave up their houses. After the official visit, President and Mrs. Sadat and Foreign Minister and Mrs. Fami, with President and Mrs. Ford and the Secretary and Mrs. Kissinger, went down to these homes in Jacksonville and spent a long weekend. I think it was two-and-a-half or three days. They talked about the future.

We feel that this did work because, when President Ford was not reelected, the transition, as far as the Middle East is concerned, to President Carter went quite smoothly, and it led, of course, eventually to the Camp David Accords.

Q: *So you really started that whole process.*

BEYER: Well, no. It was just a part of the whole thing. I didn't really, because there were too many people involved to take sole credit for that, but it was the one little thing that I did suggest and that they did agree to, to talk about. I think that was good because we then saw Sadat here several times.

Q: There's a note here you were at the U.S.-U.N. in 1977. Was that a full assignment or just a detail?

BEYER: It was a detail. We were on holiday up at Cape Cod at a family place. The telephone rang -- this is after I'd been on the desk for two years and I was up for an assignment somewhere -- and it was the special assistant to Roy Atherton, a fellow named Abington by name, who said, "Roy would like you to go to the U.N. to be with this new delegation that Andy Young is going to head."

The Department of State always assigns one officer from each of the geographic bureaus to the U.N. for the General Assembly. The idea of that officer is to meet with the senior members who come for the General Assembly.

Both Molly and I had always wanted to live in New York, and so we said, "Terrific. We'd love to do that."

Other folks said, "Why don't you want a permanent assignment?" -- because this was just for the General Assembly. It would only go from September through December. But we said, "That's all right. We get to go to New York and we really want to do that."

So we did do it. It was great fun.

Q: By that time they were able to pay your per diem.

BEYER: They paid marvelous per diem, yes, as a matter of fact. So we didn't have any money problems at all.

Q: I suppose there was a time there when New York was just another home assignment and you didn't get paid anything.

BEYER: That's right. No, the per diem was excellent, so we were able to live reasonably. Actually, it was an interesting job because I wasn't reporting on the Assembly. I was supposed to talk to these folks, these senior members of the delegation, and so on. Many of the secretaries would sit all day, waiting for the officers to come back and report on what had gone on at the General Assembly. The officers couldn't get back until the General Assembly closed, and that usually wasn't until five or six o'clock at night. Then they'd come back and dictate their telegram.

I would come back and forth during the day. I'd run over and talk to somebody, come back, and the girls were just sitting there. So I was able to turn out all this material. Then, when the other fellows came back who were reporting on the assembly, I was done and away. So it was a great

setup.

Q: Do you remember anybody particularly that you met there that was important or significant?

BEYER: Two things that were significant, I think, to me. One was -- as you may recall, President Sadat went to Jerusalem. Right up to the very day, he got out of the plane in Jerusalem, the head of the Saudi delegation, who I had gotten to know, told me, "Sadat will never go. He simply will not do that." [Laughter]

Of course, Sadat did do that. Sadat was one of the most unusual political folks that I have ever had anything to do with, and a remarkable man.

For example, one story about him -- Hermann Eilts was the American ambassador in Cairo in these days. He got very close to Sadat. He used to go with him to his villa down on the Nile, and he said that sometimes he'd talk with Sadat, and Sadat would stop talking and would just think for 40 minutes. He just wouldn't say a word. He'd just sort of go into this haze and just think out a problem. Then he'd start talking again.

Hermann said, "I'd just sit there and wait." [Laughter] He was that kind of fellow. Anyway, that's one thing I remember about him that occurred.

The second thing that I remember distinctly was, the number two in the Israeli mission had been there for a number of years. People said that he knew more about how the U.N. operated than anyone else. I wanted to get to know him, so I kept working and working at it. Finally, I invited him to lunch at the Harvard Club in New York. I joined the Harvard Club through some friends, and it wasn't very far away. It's 24 West 42nd Street, just on the other side from the east side --

Q: Right by the public library.

BEYER: That's right. Right by the public library, not too far away. Anyway, I finally got this fellow to come to lunch with another Israeli and there was another American there. There were four of us. He had never been to the Harvard Club for lunch. It was quite an impressive place to eat, and he enjoyed it. He talked a lot. When the lunch was over, he was enjoying it so much and was feeling so much at home, that they gave him the check. [Laughter]

Q: What was his name? Do you remember?

BEYER: I don't remember his name. I'm sorry.

Q: Then you went back for another fairly long spell in the East African --

BEYER: Yes. Actually, what happened is, I went back to Washington and Roy Atherton said, "I want you to go out to Cairo to be the political officer."

I said, "Okay, I'll go to Cairo and be the political officer, but I would really like some Arabic before going. I just don't think that, you know, I'm so new in this whole Middle East business

that I really ought to have at least some Arabic."

As a matter of fact for the month of January, Roy and the head of public affairs were in the Middle East, and so I ran that office -- the public affairs office. Then when they came back, we talked about what I should do.

So he said, "Why don't you go to Cairo, and if you want Arabic training, I'll arrange it for you at FSI."

Well, it's the best language experience I ever had. I must say, a marvelous teacher, an Egyptian. We would work from eight in the morning until twelve, and then she would say, "That's all you can do. What you should do now is listen to tapes and work on the script. Then we'll go on with it the next day."

So I said, "Okay."

So I came home at noon, had lunch, took a nap -- got in bed, took a nap -- then sat up and listened to tapes and worked on the script until about seven o'clock at night. I did this for several months. Molly said, "I don't know anyone else in the Foreign Service who could work things out where they spend all afternoon in bed." [Laughter]

In fact, it was a marvelous language experience, and the language was going better than any foreign language I think I ever studied, even though it was supposed to be a difficult language.

But, about March or April, the fellows from AF, Bill Harrop by name, came to me and said, "We need somebody to head the Office of East African Affairs -- which, by that time, was twelve countries -- We don't have anyone to do it. We don't have very many people who know anything about Africa, and if you do this for a couple of years, we'll try to get you a mission at the end of it."

So I thought that sounded pretty good. [Laughter] So I went to Roy and I said, "You have a lot of good Arabists."

And he did. There were a lot of good Arabists.

"And I'm sort of Ezzat Arabist, at best. Africa is really hurting, and it seems to me that it is in the best interest of the country and the Service that I take this job. Would you object?"

He said, "No. We'll catch you the next time."

But, as you know, in the Foreign Service there are routes that one gets on and never gets back. So I left working in the Middle East and never really did return.

The job, as AFE, we had eight officers at that point and a variety of secretaries and, as I say, these twelve countries. The thing that was interesting to me about those twelve countries is, no one really cared about them too much. They just wanted us to have reasonable relations with

these folks. But the thing is with these twelve countries is, one of them is always falling off the table. So you are always running to catch it before it went splash. [Laughter] So there was a lot of weekend work, and we were being called often by the secretariat folks to work on one aspect of a country or another. But it was an interesting experience.

ARTHUR L. LOWRIE
Political Counselor
Cairo (1975-1978)

Arthur L. Lowrie was born in Pennsylvania in 1930. He graduated from Allegheny College with an A.B. degree in 1955. He served in the U.S. Air Force from 1951 to 1954. Mr. Lowrie joined the Foreign Service in 1956, serving in Syria, Lebanon, Sudan, Tunisia, Iraq, Egypt, and the U.S. Mission to the European Communities in Belgium. Mr. Lowrie was interviewed by Patricia Lessard and Theodore Lowrie several times between 1989 and 1991.

Q: So, after Baghdad I believe you had a direct transfer to Cairo as Political Counselor.

LOWRIE: That's true. I drove with my children directly from Baghdad to Cairo via Beirut and the ferry from Beirut to Alexandria. Arrived in Cairo and moved into our house and within 48 hours started to work. I had been so involved in Iraqi affairs for so long that it took a little while to get my feet on the ground in Cairo. I arrived just before the second disengagement agreement between Egypt and Israel was reached. So it was a good place to start.

Q: The three years that you were at Cairo are very well documented. Are there any incidents or is there anything you can remember that isn't so well documented that you would like to talk about?

LOWRIE: Well, there are so many. These three years were by far the most professionally exciting of my career. Some of the things that stand out were after Sadat's incredible trip in November 1977 to Jerusalem which electrified everyone, and which had tremendous support among Egyptians, regardless of what one hears now. Shortly thereafter, Israeli journalists were allowed to visit Egypt and many of the most prominent ones came. They didn't find a lot of Egyptians to talk to. They were correctly, but coolly treated and they had a lot of trouble having meaningful conversations with Egyptians. They, as one might expect, turned to the American Embassy. Ambassador Eilts, probably the greatest Middle Eastern Ambassador in the history of the Foreign Service, did not like journalists, partly because he was the key link between Sadat and Carter. The job of briefing journalists, not just Israelis but American and foreigners, fell pretty much on me as Political Counselor. So there was a period there of a couple of months in which I must have briefed 15-20 Israeli journalists. I never thought I would be sitting in my office looking over the streets of Cairo and briefing Israeli journalists. I was tremendously impressed with many of them and I subsequently saw some of them in Israel and in Washington. I have great admiration for their professionalism and intelligence. The toughest most critical things written about Israel are, in fact, in the Israeli press.

Another highlight that stands out took place in January 1978, when a small Chiefs of Mission meeting was called by Assistant Secretary Roy Atherton of the Ambassadors in those countries most concerned with the peace process, Sam Lewis in Israel, Tom Pickering in Jordan, Dick Murphy in Syria, Dick Parker in Lebanon, John West in Saudi Arabia, and Hermann Eilts in Cairo. The night before the meeting was to take place, Ambassador Eilts' mother-in-law died at the Residence very unexpectedly. Ambassador Eilts, sent me to represent him and I went to that very small meeting with some of our leading Middle East specialists. I left the meeting discouraged and shocked by what took place. Ambassador Eilts' and my own thinking were very close and I spoke forcefully, making such points as when it comes to security needs, Israel is like the Pentagon, there is never enough security. And as in Washington, it is the White House and the political leadership that has to step in and say enough is enough. In the case of the Arab-Israeli peace process, the same is true. The White House is going to have to step in and say enough is enough. The security provisions are sufficient and all you're going to get so let's move forward on the process. I also made the point that Sadat was very discouraged with the US role. He feels Israel knows the enormity of his concessions and they are now playing him for the fall guy, taking all of the concessions he had made and pocketing them and asking for more. Basically I pleaded for a greater, more active US role, not allowing Sadat to be the one to make all the concessions and really undermining his position at home and in the Arab world. The only Ambassador present who supported me in these views was Ambassador West, the political appointee. It wasn't that others like Dick Murphy, Dick Parker, Tom Pickering, did not support, they didn't say anything. Dick Parker and Dick Murphy apparently didn't think they should say anything that did not pertain to their particular countries, despite their long service in the area! Sam Lewis, on the other hand, who had the least experience in the Middle East, put forward the Israeli case with a forcefulness and articulateness that went without much rebuttal. I can only hope these other Ambassadors did more in private, out of the earshot of somebody like Sam Lewis. It was a good example of how a forceful, articulate person, even though he knows the least about the problems, is able to carry the day -- very discouraging.

I had tremendous admiration for Sadat, what he had accomplished and the consistency with which he pushed for a settlement with Israel. There was by the middle of 1978 the feeling in the Embassy Political Section that we, at the behest of the Israelis, had asked so many concessions of Sadat, most of which he had given, that his position was already becoming almost untenable. One of the sick jokes we had had the Department instructing the Ambassador to go to Sadat with just one last request: that he go up on the top of Mount Sinai and commit suicide to prove his sincerity for peace! This attitude was reflected at a higher level at the time of Camp David. I was back in Washington in September 1978 right after the signing of the Camp David Agreement and I ran into Ambassador Eilts near the State Department. I was pretty elated, not having been in on the negotiations, and ignorant of what concessions might have been made, etc. There was elation around Washington and I was caught up in it so I was rather taken aback when Ambassador Eilts was very discouraged by what had happened at Camp David. He, who had been one of the principal players since 1974 in bringing it about, was discouraged, and I asked him why. I don't remember his exact answer but the gist of it was that we demanded too much of Sadat and didn't get enough for him. By that time, of course, Sadat had no where to go. And it's interesting to think back on that encounter after Sadat was assassinated in October 1981, Hermann Eilts wrote an article in the Boston Globe a day or two after the assassination in which he said the United

States pulled one of the triggers.

Another remarkable thing about Sadat's political skill was the way he was able to win over officials from the United States. He always had a way of persuading them that it was they who had gotten the concessions from them, they who had gotten him to change his position. He was always most willing to give them the credit. And they, of course, being good politicians in a democratic society with a lot of media attention, were very happy to take that credit or carry a message for him. In my opinion the whole process from 1973 to Camp David was due primarily to Sadat's initiative and determination.

HENRY E. MATTOX
Commercial Officer
Cairo (1975-1979)

Henry E. Mattox entered the Foreign Service in 1966. His overseas career included posts in Nepal, Azores, Brazil, Haiti, England, Egypt, and France. He was interviewed by Ambassador William N. Dale in 1993.

Q: Well, thank you. Your next assignment of course was Cairo where you were there for four very important years, from '75 through '79 when Sadat was the Egyptian leader. I wonder if you could tell us a little bit about how you found Sadat from the point of view of his working techniques.

MATTOX: The working techniques that I witnessed were how he played on CODELs. He could play them like a banjo. He had a set piece...let me back up a little bit. We had a great deal of Congressional interest in what was going on in Egypt, unsurprisingly. So we had, therefore, CODELs coming in and out all the time. Fortunately by the time they started coming in in such numbers the staff of the embassy had been expanded a good bit. When I first went there in '75 there were only about seven people, and I was sort of the first of the added bodies that were being thrown into the place. The A.I.D. mission built up as well shortly thereafter, too.

But we had by the time I left, the last couple of years that I was there, we had an average of a Congressional visitor per day throughout the year. We had about 360 or 370 CODELs per year. So he would see every one of them. He was no dummy by far. He wouldn't say, "Oh, that's some obscure Congressman. I don't care to see him." He would see every one of them. Either I would take them, or the ambassador would take them, or the political counselor would take them, or somebody. Usually the political counselor or I, maybe one or two other officers, would do most of the trotting around with the Congressional delegations because Ambassador Eilts didn't want just anybody and everybody taking these people around. There was too much at stake.

We would go to call on Sadat, and he would be utterly affable, utterly forthcoming, utterly outgoing, and informative, sincere, articulate, and charming. Even the most initially unbelieving Congressman would come out convinced that Sadat was a great man, and the affairs of the country were in good hands. He was utterly convincing. He almost always said the same thing,

but it sounded fresh and new and nobody would know that unless he'd sat in on these things before.

Occasionally he would change some nuance, or change some direction, or change some emphasis, at which time I would find it interesting enough to go back and dictate a telegram to the Department.

Q: Give us an example.

MATTOX: No, I can't think of anything off hand. It would have something to do with let's say his intentions with regard to his next contacts with Israel, or something of that sort. Or it might have been something like a seeming change in emphasis in developmental questions. Nothing really terribly consequential, but enough different from the last time to catch my attention. He never looked at his watch or anything, but these briefings of the Congressmen, and the members of the U.S. Cabinet who came out, such as Secretary Blumenthal....He would run these briefings exactly one hour, and that was that. He would invest an hour in the Congressman, or the group of Congressmen, or the Secretary of the Treasury, whatever, and he would give them precisely an hour and no more. With great affability he would then usher them out.

Q: It might be that he earned several million dollars an hour at that rate. I notice you were there when Secretary of State Vance visited, of course, Cairo. Do you have any reflections on Secretary Vance and his operating methods?

MATTOX: I didn't have any great exposure to him in any detail but I did sit in on some meetings with him, and I did go to a formal dinner where there were about 15 or 20 people invited. He made the kind of impression that was strong enough for me to remember it still. I guess I always will remember it. He didn't actually say anything, or do anything, but he emanated a sense of authority and integrity that just stayed with you. He was a man like Bunker, I think. Almost didn't have to say anything, almost didn't have to do anything. But he carried with him a mantle of authority. He carried with him a mantle of impeccable integrity. Richardson would be another person of that sort. And there's no way to imitate it. There's no way to borrow from it. There's no way to fake it. I think it was a loss to the administration when he did resign.

That brings us to Jimmy Carter who did not have that same mantle.

Q: He did not?

MATTOX: He did not as far as I can see. We have to say one thing though, regardless of whatever failures Jimmy Carter had in his projects, and his proposals, and his programs, etc., as long as there's a history of U.S. involvement in the Middle East it will have to show that he was eminently successful in that particular initiative, Camp David. Camp David was his baby, he worked very hard for it. He worked appropriately too. He knew what he was doing, he was a quick study. This is one instance when getting down to the level of detail that he was prone to do, worked. Everybody knows that he tended to deal too much in detail, but it was necessary in this case. I would see him shuttling back and forth between Tel Aviv and Cairo at the airport, and then back to Tel Aviv, back to Cairo and something would come up and he'd get on the phone

and he'd talk to Menachim [Begin], and he'd straighten it out. It might take him 30 minutes on the phone, but he'd get it straightened out. All these people sitting around in the conference room waiting until he got that straightened out, and then he would straighten it out with Menachim, and then he would straighten it out with Anwar, and Anwar would go back to Menachim. There wouldn't have been a Camp David if it hadn't been for him. And the results of Camp David are still with us.

Q: That's true. Henry, the embassy must have been a pretty exciting place during the time you were there. Can you say a little about what the general atmosphere was in the embassy, and about Ambassador Eilts?

MATTOX: It was an interesting time, it was a very active time, and everyone worked their tails off partly because of the nature of the issues that the embassy was facing. But largely because of the example set by Hermann Eilts. Eilts is clearly an example of a workaholic in the Foreign Service. He spoke Arabic. He had been 30 years in the Middle East at that time. He knew Sadat well. He had a direct line between his office and Sadat's office. He didn't use it, but Sadat did to call him. He worked day and night, twelve hours a day, seven days a week. So there was sort of a sense of great urgency all the time. There was a sense of great accomplishment as well all the time, especially after the Sadat initiative to Jerusalem. And there was a sense as well that we had, not we necessarily, but we had presided over the defeat of the Soviets in the Middle East. They were still there in large numbers but they had no influence. They didn't do anything except whatever dam projects they were involved in, that sort of thing. It was good to be on the winning side like UNC in the NCAA tournament this year.

HAYWOOD RANKIN
American University
Cairo (1976-1977)

Ambassadorial Aide / Consul
Port Said (1977-1979)

Haywood Rankin was born in Washington, DC on July 31st, 1946. Rankin graduated from the University of North Carolina Chapel Hill and entered the Foreign Service in 1971. He served in Morocco, Egypt, Syria, Iraq, Oman, Algeria and Côte d'Ivoire over a period of some 25 years. This interview occurred on July 24th, 1998.

RANKIN: I was in Cairo from 1976 until 1979. After this year from '76 to '77 at the American University in Cairo I got a rather peculiar posting as the staff aide to Ambassador Hermann Eilts and also as the consul in Port Said. It was a two-headed job and very exciting. The old consulate had been reopened but only on a trial basis. Ambassador Eilts, who was a seven-day-a-week, 20-hour-a-day man, felt he needed some assistance but he wasn't sure he needed a full-time aide, and that is how this arrangement came about. I spent a good week per month in Port Said tending to our old office.

Q: I would like to pick up on this and then we'll go to Eilts because this is an important period. This is Camp David and all of that.

RANKIN: Absolutely. It was Sadat's trip to Jerusalem. It was a bit pre-Camp David but that's right, it was the beginning of that period.

Q: In Port Said what were you doing? It used to be people would sort of sit there and watch the ships go by or something, but what were you doing at that time?

RANKIN: That's the reason in fact that it was not made a full time job. The Egyptians wanted our consulates reopened in Port Said and Alexandria, after the long drought when our relations were ruptured after the '67 war. The Egyptians very strongly wanted to see both reopened as a symbol of a new relationship, but by then the State Department had already begun the eternal business of reducing, reducing, reducing. Even then, 1977, there were enormous pressures to close consulates, especially small consulates. There was beginning to be a sense in Washington that we no longer needed small missions all over the globe but only embassies. Our going back to Port Said was an experiment to see if there really was any business to be done there. I wrote reports about the local economy, on the Suez Canal of course, and did some consular work. We had some local staff.

But I have to tell you the post did close. One officer had preceded me, who actually had brought his wife and worked there full-time. He pretty well had already sealed the fate of the little consulate in Port Said by complaining loudly that there wasn't enough to be done to justify a full-time officer. I felt I was fully occupied as a "one-quarter officer" with a superb little staff. But the era of small consulates - especially one-quarter consulates - was already a thing of the past. I was the last American diplomat assigned to Port Said.

Q: How about the relations while you were on the Port Said thing with the Egyptian authorities because prior to that the Nasser people weren't really forthcoming. There was a pretty heavy hand as far as their security people and all of that. Was this a sort of new era and things changed?

RANKIN: Enormously. There had been a sea change. I arrived in an Egypt in which relations with the U.S. and the west were improving daily. Part of the credit can go to Hermann Eilts whom I revere as one of the greatest ambassadors that I ever met. He was initially a proconsul. I compare the relationship that Hermann Eilts had with Anwar Sadat and the relationship that subsequent ambassadors have had with Hosni Mubarak. That was a period not only of coming off the Nasserist period, reopening to the United States and the West, it was also a time of hopefulness on Israel. Hermann Eilts was able to see Anwar Sadat on a moment's notice and did it several times a week. He had an extraordinarily close relationship with the President of Egypt, I would think extremely unusual in the history of diplomacy. The Eilts are to be compared with the rather arch, brittle and sometimes quite nasty relationship that the embassy today has with the authorities in Egypt, despite our huge aid relationship with Egypt. Aid is now pretty well taken for granted. The peace process, particularly in the last two years with the Likud regime in Israel, is going nowhere. To the Egyptian populace the bloom has gone completely off, whether the idea

of rapprochement with Israel or a close political relationship with the United States. Times have changed completely; I was in Egypt at the time of great hopefulness.

Q: How did Eilts operate from your perspective as a special assistant?

RANKIN: I've never seen anything like it to this day. I have never seen a man who could work so hard and had such an incredible command of detail. That of course was before the days of computers. He had three secretaries in the outer office. Not two, but three. They all had to know shorthand and he would come in the morning after a series of events every evening. I once reckoned that he had an average of four events an evening and that is seven evenings a week. He was like a laser beam. He would go into a reception and would talk to the people he needed to talk to and leave. He would know what information he wanted, get it, and leave for the next event. He would then come into the embassy in the morning early, he was always there early, and he would dictate. He would go from one secretary to the other dictating cables to the Department.

He also had large staff meetings every day and his staff bitterly resented the practice, but he insisted on it. He was again like the laser beam with all the members of his country team, honing in on each one of them. He might be called to the telephone in the middle of a question, but he would come back to exactly where he had left off. He was a gentleman but a man of extraordinary intensity with a photographic memory. He could recall cable numbers that he had sent out four years previously.

In the course of the morning he would go out. Typically, or not unusually, he would see Sadat himself or any of his ministers and then he would come back. He would do the same thing, the same round with his secretaries dictating messages. He put out an extraordinary amount of cable traffic every single day. We always used to say Hermann Eilts did not need an embassy, he was the embassy. He had a DCM, Freeman Matthews, who really had no function. He was a capable man, but he took to drinking, understandably. Eilts was so hard working and had such a comprehensive knowledge and was so detail oriented there was scarcely anything left for his DCM to do.

I was there very briefly for the advent of Roy Atherton, who came in May 1979 while I departed in September. Atherton was a wonderful man as well, a brilliant man in a different way, with a much more easygoing type of manner. I don't mean to imply that he was less focused, but he was a more typical human being who did have need of a DCM and knew how to use him. He was not the sort of person who would work 20 hours seven days a week. Hermann Eilts was reluctant to leave the embassy, to leave Cairo for trips, or to attend chiefs of mission conferences which he felt were a total waste of time. He was completely focused on that relationship with Sadat and the Egyptian government.

Q: Again we are going through your perspective—I realize that you are the briefcase carrier and all that but often this is very important from the historical point of view. Can you give your perspective on the role of the embassy and how we felt? How the other officers were talking about Sadat and how the embassy felt about him beyond Eilts. And also the role, particularly of Eilts, on the trip to Jerusalem of Sadat, how did this come, what was the reaction?

RANKIN: There was of course the sense that you would get any time Americans deal with an all-powerful type of leader. There was a sense that Sadat was much too much a one-man show. We felt he was trying to become another Nasser, even if a different kind of Nasser. He coveted the powers that Nasser had arrogated to himself, even if Sadat had a different mindset in terms of socialism and in relations to the Communist Bloc. He didn't have the charisma of Nasser but he wanted Nasser's power, and this ambition was something that Eilts and the whole embassy worked full time to try to combat. With what success it is always hard to say. One should not over-blow the influence that we Americans ever have on any foreign leaders, even with someone as capable as Eilts in charge.

In those days, and subsequently as well, I believe, we never broke in very well into the military sector and never got into the minds of the Egyptian military. The military was a key power base for Sadat. The eternal problem that we have as Americans in places like the Arab world or Africa or the Far East is supporting a regime that is pro-U.S. and yet is very different from us in its democratic values.

As for the trip to Jerusalem, my recollection is that we knew very little about it in advance. It may be that Eilts had a few hours' warning, but I don't think any great forewarning. Sadat, in contradistinction to Mubarak, was more emotional, more spontaneous kind of a person, capable of a grand gesture, while I think Mubarak would have never dreamt of going to Jerusalem on the spur of the moment.

Q: What was the feeling when you heard this? Did you feel that the Israelis would respond? I mean this was the Begin government which was as orthodox as you come I suppose. I mean a difficult government to deal with.

RANKIN: I was astonished that Sadat would go, and there was some pessimism in the embassy that his act would be properly reciprocated, particularly with Menachem Begin in power in Israel. The whole difficult history of the Camp David process was then set in motion. I think the Egyptians, and this worried us all, the Egyptian people tended as a people to be more like Sadat than like Mubarak in the sense of [being] emotional and given to swings of optimism. This was a hopeful period and they had the illusion of immediate results. The process that the Jerusalem trips actually set in motion was one of niggardliness, of arguing and arguing over every little thing over a period of years, and this tedious haggling taught the Egyptians hard lessons about dealing with Israel and the mindset that we have seen in subsequent years. It's a mindset that says, never, ever expect anything of the Israelis and if you do get something you know you are going to have to pay an extremely heavy price. I don't think we will ever see again that euphoria that Sadat set in place with that trip.

Q: You were sort of new to the scene, and so I'm talking about when you were taking Arabic and also working in Cairo, one of the charges that has often been laid is that the Arabists, the people who have studied Arabic in our Foreign Service, tend to have a bias against Israel. How do you feel about that?

RANKIN: I always was perplexed by this attitude. I certainly know that among the great

professionals whom I met, like Ambassador Eilts, their desire was to serve the United States of America and its interests. They had a vision of how you could bring about a lasting peace in the Middle East - which wasn't just Pollyanna - which would have involved concessions by both sides.

I remember when I first arrived as Eilts' staff aide, there were many, many, congressional delegations coming through Egypt to see how we were spending all that aid money. Of course, our much larger gifts to Israel involved no oversight. Some of the congressmen, staff members, and wives whom I met at a reception were so ill informed and so antagonistic to Arabs in general, in a way that I found crude and prejudiced that I tried to set them a little bit straight. The next morning, I was called first thing into Ambassador Eilts' chamber and he dressed me down in a quiet and nice way. He said, "Last night I was spoken to by Mrs. Congressman So-and-So from New York, and she said that you had condemned Israel" and so forth. And I said "Sir, that's not the way I recall the conversation at all." I tried to defend myself, telling Eilts that I had simply corrected some gross factual errors. He said, "Haywood, don't do that again. We are not in the business of trying to set facts straight to congressional delegations. It is essential that you always convey sympathy and evenhandedness." Then he told me how he met similar situations always with an emphasis on Israel's security and all the ways that he had striven over the years to enhance Israeli security through building a peace process, which is one of the most complex and difficult things to accomplish. It is a long answer to your question.

Q: Oh no, but it is an excellent answer because it shows the sensitivity particularly of a place like New York where there is a large Jewish population and they hear one side. Anybody in the political arena isn't going to make any points by saying there is an Arab side to this problem too.

RANKIN: Ambassador Eilts tried to convey to me that we must never hint at taking the Arab side or Israeli side. Our job was the incredibly difficult art of diplomacy in the midst of very, very high emotions, both in the Middle East and back in the United States. Our job was to help people build bridges in an incredibly arch and fraught situation. I learned many lessons from Hermann Eilts. In all the years I was following Arab affairs, the allegation of "pro-Arabness" continued to dog me but I always remembered the lessons that he had taught me. The odd thing is that, personally, I have always had to fight a certain revulsion to Islam, particularly to what I perceive as its narrow-mindedness. My greater sympathies were always with the Israelis, because I found them more energetic, hard-working, and, to speak frankly, "like us."

DONALD S. BROWN
Mission Director, USAID
Cairo (1976-1982)

Donald S. Brown was brought up in New York. He attended Cornell University for a year and then went to Military Officer Candidate School. He finished his undergraduate degree at Antioch College. It was at Antioch that he became interested in foreign service through a program called the Foreign Aid Program. In addition to Egypt, he served in Iran, Libya, Somalia, Sudan, Algeria, and

Zaire. He was interviewed on December 4, 1996 by W. Haven North.

BROWN: Egyptian-American relations had been cool and distant for many years, particularly during the latter years of the Presidency of Abdul Nasser. Such assistance programs as had existed earlier had all been terminated. Even at the beginning of the Sadat Presidency there remained coolness in those relationships until two events-the "October War" of 1973 in which Egypt for the first time had some decisive military victories over Israel (even if the final outcome of the war was initially a return to the pre-existing situation); and Sadat's termination of a range of relationships with the Soviet Union. From that point forward, Secretary of State Kissinger and President Nixon saw new opportunities to work with the Egyptians, particularly with regard to regional peace. A first major step in that direction was negotiation of the first Sinai accords, which provided Egypt with at least partial recovery of lands lost in the 1967 war.

It was at this point that the United States announced its intention to provide major economic assistance to Egypt-assistance which almost from the beginning reached \$1,000,000,00 a year in combined PL 480 and AID Supporting Assistance funds. It was at this point, facing the high political stakes of this new aid level, and having to move aid levels up sharply in response to the Kissinger announcements, that we arrived in Cairo. (It should be recalled that the initial steps towards seeking regional peace taken by Egypt at that time were then followed up on a relatively consistent basis over following years by the Second Sinai accord, by Sadat's visit to Jerusalem, by the Camp David negotiations and finally by the establishment of diplomatic relations between Egypt and Israel.)

As far as I am concerned, being able to manage the Egypt program was the absolute pinnacle of any AID manager's career. Certainly for me, and my family, it was a wonderful experience. While running the biggest aid program since the Marshall Plan was exceptionally demanding, it gave the opportunity to use all the skills which had been acquired over more than twenty years. And while it was true that there were highly political and public elements to what we were doing, we were able to convince both Egyptian and American leadership that an important part of these vast resources must go towards development which could strengthen local democratic institutions and ensure greater equity.

My first years in Cairo were devoted to the task of making this point with American and Egyptian leadership and then finding the programmatic means by which it could be achieved. The efforts of the AID Mission in that direction were helped by Congressional concern that money should not be an answer in itself but that the program should concern itself with issues of Basic Human Needs (then a central concern of AID's regular Development Assistance Program) and this was built into appropriation legislation. While the USAID Mission certainly did not succeed in meeting all our aspirations in this regard, I am convinced that the program has had a significant impact on the lives of many Egyptians, that it laid the groundwork for increasing decentralization of development decision making and that as a result there was better use over time by Egypt of its own resources.

But moving the program in that direction took time and effort. In order to commit these high resource levels, substantial amounts were initially devoted to large infrastructure projects-cement plants, power generation and distribution, telecommunications and the like. Food imports under

PL 480 also played an important part in easing the Egyptian financial situation and represented about 25% of the total aid effort in these years. Although many of these major capital projects contributed substantially to overall Egyptian growth by providing the underpinnings which were critical to expansion of the productive sector, I was not alone in believing that there was need to broaden the impact of the program in order to have a greater direct effect on as wide a range of ordinary Egyptians as possible. As noted, language was inserted in appropriation legislation calling on greater attention to Basic Human Needs. Roy Prosterman, a college professor now with the Hunger Project, was then running a rating of the Basic Human Needs contents of selected AID programs-and the Egyptian program initially achieved an almost zero score. While we had lots of reservations about the way Roy concocted his scores, it meant a lot to all of the staff to see the program receive higher and higher ratings as we moved more actively into agricultural programs; health and family planning activities; basic education activities with special emphasis on girls' education; low cost housing including AID's largest family centered, do-it-yourself tenement upgrading program; and most particularly for a wide variety of urban and rural based programs of decentralized development activities which brought decision making far closer to those concerned than had ever been true in earlier Egyptian development efforts.

I am particularly proud of this variety of decentralized development programs. Given Egypt's long history of highly centralized government decision making, I initially had questions as to whether it was in fact feasible to work with and strengthen local government and popular mechanisms. Much credit goes to a number of key USAID staff members who traveled widely and developed strong relations at central, governorate (state) and local level, which in the end convinced me (and others) that there was a real will and capacity to undertake this new approach. Equally, it was helpful for some key Egyptian leaders to find that the United States had a strong interest in the same things which they had been advocating and which could help bring their own ideas into focus and force.

Q: Let's add bit more on Egypt. Particularly on your interest in decentralization programs. That is of some interest in AID now. How effective was that effort in a highly centralized bureaucratic situation? Was there willingness to really decentralize? Or what was being decentralized?

BROWN: Egypt of course, is absolutely dominated by the Nile. Everything in Egypt is dominated by the Nile. And for 5000 years the government has promulgated from the center all the rules. And people have not participated. Under Nasser there was some opening up of that.

There were some efforts at democratization. There were some efforts at getting views from the public on issues of development and issues of interest to them. Although that began to fade in the last few years of the Nasser administration. Sadat was too involved in the broad issues of the Middle East, Egypt-Israel, Egypt and the United States, Egypt's financial situation to really care very much about that sort of thing. I think he was a great man but that was not his strength.

At the same time, I felt two things. One: while the AID program was having an important impact on certain urban areas and on certain infrastructures of one kind or another, it was important for the people of Egypt to see the results of the Egyptian-American relationship. And that wasn't going to happen by just doing things in Cairo. That there was need to get out in rural areas.

It was also clearly my feeling that while the Nile would always dominate thinking, more and more people needed to be involved in the decision making process. They had to be there. They had to be represented. They had to be listened to. Decisions could not just be promulgated. You could see some of the failures in the functioning of the Egyptian irrigation system because too much of it was imposed and too little of it was farmer motivated. So, I certainly felt it was important to try and find ways to work with local communities. I wasn't sure at the beginning whether this was possible, because I was afraid of corruption. I mean we knew that there was a lot of corruption in Egypt and were very fearful of it. We were fearful of misuse of resources even if it wasn't in terms of corruption.

And, as I said, our staff did an enormous amount of traveling at that time talking to people...at all levels, all over the country. And they came back convinced that those with influence at the local levels were more interested in influencing the decisions of the central government than local government. At the same time, they shared some of the things that we were feeling. That is, that it was important at the local levels that there be greater participation. And we came to the conclusion that it was safe to try and find ways.

There were a couple of institutions in the government that were concerned with local government and local development. They were weak. We worked very hard in trying to improve their capacity. None of this took us very far until a particular person became Minister of Planning. He and I had talked before he became minister -- he had been a special assistant to Sadat -- several times on this question of decentralization. And he had indicated and had a strong interest in it.

When he became minister, we pushed and he accepted and he took the lead in working with other elements of government in saying that this was something that was necessary. We couldn't have done anything without him. And from that relationship we sought to devise a series of programs of one kind or another which put resources into the hands of local governments and local citizens - local programs for the development of simple infrastructure based on decision making-organized through the governor of the province in open sessions with the people to decide what they were interested in and where they were willing to put in some of their labor to get these things done.

Programs of resources, going again through the governors and the governorate system for financing of small scale enterprise of one kind or another. A range of things of this sort. I think they were evidently successful in themselves. We saw a lot of things happen. We certainly had, I thought, the political impact that had been of particular consideration at the beginning. We were beginning to open things up. I think we were getting a lot more people both in central government and locally interested in the concerns.

What had not happened in my time was any significant enlargement in the governments own resources going out to local government. And obviously during my time we all felt that was absolutely critical. No such program was sustainable only with US government resources. We talked a lot about that. Unfortunately the minister with whom I had been working went and got himself into some difficulties and he was out of power and his successors did not have the same strength of interest as people in the Ministry of Finance who had gone along with this but were still not prepared to see allocation of the resources up until the time I left. Now, I understand that

more has taken place since then. I'd love to see an evaluation of that whole process now to see to what degree it has in fact had any significant substantive continuity within Egypt.

Q: But your impression is that there was fairly wide-spread participation in the decision making about the use of resources within the local areas?

BROWN: Yes. And then I've seen this more particularly in some International Fund for Agricultural Development (IFAD) projects that picked up on what AID started during that period in which I could see very clearly. We were working in IFAD projects specifically on agriculture at the government level. Agriculture which had always been dominated by Cairo. And still is in many respects. But in the IFAD projects some important levels of decision making were in fact shifted to local government officials. Those local government officials were making significant efforts to try and group farmers in one form or another in order to hear them...to talk with them and to respond to them and to get them involved. So, yes...I do think...

Q: Was this process being institutionalized for as long as AID had money to provide?

BROWN: Well, as I say, it was being institutionalized but those institutions were not being funded adequately up until the time I left. And I don't know the degree to which they may have been properly funded since then.

Q: Was any of the financial operation decentralized or was that still very central?

BROWN: That is exactly what I am talking about here. The bulk of resources received at the government level were received under programs already decided by the central government. There was very little local tax authority. Very little local income generating, very little local influence on what programs would be undertaken. This is what we were trying to change. And that, as I say, required certain block grants or whatever you want to call it. Something to go to the government which they would control and which they would decide on. I just don't know the degree to which that...

Q: You found the other ministries were...?

BROWN: Agriculture at first was very resistant. But then Yusuf Wali was named as Minister - he still is the Minister of Agriculture as well as Deputy Prime Minister. In AID we had only a limited period to talk decentralization issues with him, but again, IFAD was picking that up. And IFAD has worked exceptionally well with him and he has been fine in this area. The Minister of Education at the time was very good in accepting proposals on our part first to look at educational mapping to try to get a better idea of where schools were in relationship to kinds of populations and then how schools could be built which were responsive, both to centrally seen deficiencies and to local initiatives. And he was very involved in that.

While strong support existed in the US Congress for what we were doing, it was somewhat startling when a Reagan appointed Assistant Administrator criticized these efforts as "simply building new levels of government". Given the thousands of years when Egyptian leadership focused its attention around central control of the Nile, one must recognize that little can be

accomplished in Egypt by ignoring government. But much was possible aimed at broadening public involvement and support and that, it seemed to us, was more important than simply seeking to eliminate layers of government.

Over the years, then, we introduced a range of different programs and projects which supported efforts at decentralized decision making. First was a program to provide governorates (states) with resources for small scale, local rural infrastructure in which public participation could be readily assured. While there is no question that some Governors failed to understand the importance of participation, others responded wonderfully and did excellent work. Second was a program of small loans for investment in small scale rural enterprises - either private or public but which had been agreed upon at local levels and accepted by governorate administrations. A somewhat similar program aimed at supporting small scale urban enterprises was rather less successful since it became far too immersed in local politics.

Finally came a program of support to locally initiated small-scale urban infrastructure projects, initiated at the community level-local roads, school improvements and the like. In addition to placing substantial resources into programs specifically designated as supporting decentralization, other technical programs emphasized the same theme. Thus a nation wide program for strengthening basic education, especially for young girls, worked through decentralized planning mechanisms. Much of AID's family planning programs had a similar basis and initial efforts in greater emphasis on decentralized agricultural undertakings were also part of our efforts. Initially little in the way of Egyptian resources (other than leadership at the local level) was devoted to support of these programs, but by the time I left Egypt there was a clear increase in Egyptian financing -and I hope that is something that has continued since that time.

While proud of what we achieved in supporting equitable development, I achieved far less in an area of concern to both Republican and Democratic Administrations, that of strengthening the private sector. While I certainly shared that objective, I felt that we were being asked to put too much emphasis on direct support to the private sector rather than seeking better to reform the policy environment in which the Egyptian public sector functioned-and the positive impact that public sector reform could have on incentives for the private sector. I felt strongly that without a more level playing ground between public and private investments, the private sector was unlikely to undertake useful productive investments no matter what other incentives might be provided.

Public sector industry in Egypt is to be found everywhere. From the time of Nasser it has been heavily subsidized. It depended on resources from the Treasury rather than from the banking system, meaning that there were no effective means for rationing resources into the most productive activities. This is why the USAID argued strongly that we should put much more emphasis on seeking to bring about reforms which would make public sector companies act on a par and equal footing with the private sector. I felt this was a more effective way to strengthen private investment than by providing direct financial and other support to private investors while castigating the public sector. I did not get too far in this direction and I think we achieved far less in the productive industrial sector than should have been possible with the overall resources we had. (However, it is my understanding that we must have made some of these points with

Egyptian officials since there has been a certain movement in these directions in more recent years).

There were two outstanding US Ambassadors in Egypt during this time-first Hermann Eilts, then Leroy (Roy) Atherton. Hermann was a highly able Arabist, an intellectual, a distinguished diplomat, and an activist. He wanted everything done right - and quickly. At first he was hesitant about me, questioning whether I would be sufficiently politically responsive. We developed a close and highly effective relationship after I showed him that the USAID could respond rapidly and with considerable political acumen in ticklish periods. One example was a package we put together out of existing resources but which we could sell as an important response to Egyptian needs following the food riots of 1977. With this stronger working basis I could then get Hermann's recognition of the importance of equitable development-of assuring that a reasonable part of AID resources were devoted to programs that could have a broad effect on the lives of ordinary Egyptians - and what we could do to nurse it along. He became, over time, a strong advocate of what we aimed at - and gave me personally his full support while avoiding being overly directive. Roy was also an accomplished diplomat with substantial experience in the Middle East. He was a lower key manager than Hermann, but that did not diminish his effectiveness. He came with greater appreciation for what aid programs could do and was consistently supportive of the USAID programs.

It was not easy working for different masters - AID and its leadership, State and its leadership, and Ambassadors in the field. Both Ambassador Eilts and Ambassador Atherton made all these problems far easier than might otherwise have been the case -and they did this at a time when changes of an enormous character were taking place in Egypt and in the region as a whole which called on all of their diplomatic skills. I am deeply appreciative to both of them for that period.

The entire USAID team was outstanding. We were able to draw on the highest levels of skill throughout the agency and many people made real sacrifices in order to join the staff. Of major help to me was my Deputy Mission Director, Owen Cylke. Owen was a constant source of ideas, new approaches, enthusiasm, and spirit. We simply could not have done as much as we did without his major contributions.

John Hannah was AID Administrator when I was appointed to Egypt, but the election of 1976 brought in Jimmy Carter and a new AID Administrator, John Gilligan. I had little opportunity to get to know him except for one very brief visit he made to Cairo. Being so occupied by changes he was seeking to bring about in AID/Washington, and beset by considerable bureaucratic infighting taking place within AID and between AID and other agencies at the time, support out of AID/W was weak and contradictory. I had a couple of run-ins with some of the new senior AID/W staff who, I felt, were undercutting me personally and, in some cases, taking broad swipes against Mission Directors as a class (the "pots and pans" campaign was an example of the latter). We survived that and continued to build the program effectively. But it was a great relief when Doug Bennet was named Administrator. Doug not only took on a deep personal interest in the program but he provided me and the whole USAID staff with an enormous sense of support and understanding. I have thought of him as a real friend ever since and have called on his help on several occasions in more recent years. When a new Republican Administration was elected, Peter McPherson became Administrator. Peter also took a deep personal interest in the Egypt

program. He visited us a few times (once at the airport between 2 and 4 am on New Year's Eve!) and was in regular touch. While I felt that Peter's emphasis on the private sector was perhaps partly ill-placed for the reasons I have already mentioned, I did welcome his close and constant attention.

Another person who was always thoughtful and helped overcome many roadblocks was Joe Wheeler, serving first as AA/Near East, then as Deputy Administrator, then as AID Counselor. He had a clear understanding of the many incongruities in the Egyptian economy and what this meant in terms of our program content. He worked hard at seeking to assure agency wide support for our efforts. He worked well with Egyptian officials who were well impressed by his sharp mind and his broad understanding. While we had occasional differences (one always had differences over a program as vast as that in Egypt) Joe and I worked well together.

We had one amusing incident with Joe -he, his wife, Micheline and I were making a trip into southern Egypt. Without prior notice we dropped in on a small village to see how social services were functioning. Among other things, the four of us walked into a primary school. The moment Joe entered the room, children started screaming and leaping out the windows. It was only afterwards that we learned that an inoculation team had been there the week before and the kids assumed Joe, in his suit, was going to stick nasty needles into them once more.

The Egyptian economy was a series of major contradictions. Many policies were put in place during the Nasser period which were intended to help the poor, especially the rural poor, but which had become so distorted or corrupted that they were serving largely the elite and an urban middle class. Subsidies on bread certainly were important to the poor but were provided to the whole populace, to the point where bread became the cheapest available poultry feed-but at an enormous budget cost which drained resources from programs that might really have been more helpful to the poor. Subsidies on fertilizer, again intended to help poor farmers, seldom reached them and were siphoned off by large holders - but the prices paid to small farmers for their crops remained low on the assumption they got the fertilizer subsidy. Enormous subsidies on energy - electricity, gasoline, etc.-were far more beneficial to the rich than the poor and diverted use of energy away from petroleum exports and foreign exchange earning exports. Subsidies to public sector industry became so high that several Egyptian economists estimated that it would be cheaper to import fertilizer and to continue to pay the salaries of one particular fertilizer factory than to keep it open if one calculated the real costs involved.

It was the business of the international community - the World Bank, IMF and AID in particular- to try to convince Egyptian leadership of the need for change. This was certainly not an easy task and in the end only the beginnings of reform took place during my period. However, our continued insistence on the need for reform, especially of such items as energy subsidies and narrowing eligibility for food subsidies, did appear in following years to have more meaningful effects on Egyptian economic policy-or at least that is what my former Egyptian colleagues tell me now. But this demand for reform did place USAID leadership in a difficult position- on the one hand, we needed to respond to AID/W expectations for reform (expectations often expressed in the form of possible quid pro quos) at the same time that the political forces of the Embassy and State wanted maximum levels of stability in our relations with the Government since the search for peace in the region was to have priority. I give credit both to Hermann Eilts and to

Roy Atherton for their help in defending what we were trying to do and the way in which they assisted in the negotiation process with the Egyptians (while still telling me to keep it as cool as I could).

I did feel that AID/W (and IBRD/IMF) held some wrong priorities as to which subsidies to fight. Particular pressure was applied to adjust bread prices. Although those prices were obviously out of line, and the subsidies were universally rather than selectively applied, there is no question the poor did benefit - far more, for example, than from energy subsidies. The argument that adjusting bread prices to give a greater incentive to grow wheat was also probably wrong, since Egypt's agricultural comparative advantage did not lie with wheat but with other products which could better bear the heavy cost of irrigation water-and 95% of Egypt's agriculture depends on Nile water. When the Government, in a badly organized maneuver, did seek abruptly to adjust bread prices, major riots with many deaths took place. Not only were the adjustments then withdrawn, but the political repercussions of that ill-thought-out venture remained in the forefront of thinking of Egyptian and American political leadership. It is true that the donor community also emphasized the need for reform of the energy sector and I am informed that much more has taken place in that regard in recent years.

One issue on which I simply could not give support to Egyptian leadership concerned land reclamation, i.e. expanding the irrigated area into the sandy desert regions on the edge of the Nile Delta. I argued that standard cost/benefit analysis could not support such investments. My Egyptian colleagues responded in rhetorical terms that population increases, etc. required provision of more agricultural land and they also argued that there were hidden costs (urban infrastructure, etc.) that were being borne because of this limited land availability. I urged my Egyptian colleagues to establish a hard and satisfactory economic analysis going beyond standard cost/benefits which could take their concerns into account and which could show a real economic betterment to be achieved through land reclamation. That simply was not forthcoming and the justification was almost always simply in nationalistic and political terms. On one visit of Doug Bennet and Joe Wheeler we went to see President Sadat at his home in Suez. On the way Doug and Joe spelled out all the arguments they would use with Sadat against Egyptian reclamation policy. When we arrived, Sadat was sitting on a lawn by the Suez Canal. He arose, walked to us, escorted us back to where the chairs were gathered and immediately went into a long defense of reclamation - to the extent it seemed to sweep Doug and Joe off their feet since none of their well planned counter-arguments ever got expressed. I did my best to find ways to satisfy in part the lust for reclamation work through some limited research programs aimed at testing out best agricultural practices for different reclamation activities, but my best Egyptian friends still call me that anti-reclamation type.

One thing we all learned quickly was the need to deal with the media (Egyptian and international) and also to back up high level US Government officials and Congressional delegations (CODELS) during their visits. Working with the Egyptian press and radio/TV was not particularly difficult, but American media, especially TV, made a real effort to trip us up over difficult issues. I am thankful that I had had some exposure to the media over Sahelian matters during my time as DAA/Africa and managed to minimize problems which might have resulted. In some cases I managed to reach an understanding with a TV or radio interviewer over the major issues to be discussed so I could be reasonably prepared. In other cases, however,

questions were raised which were really rather out of bounds and responding was difficult and since the interviewer had the power over what was included and what was excluded from the final broadcast product, one could always find oneself appearing to say things which were not what was meant.

Q: Anything else on the Egypt experience?

BROWN: Well, a big concern I felt was that Egyptians tended to assume that things would never change. I feared that there could be a sudden or a rapid decrease in US economic assistance without preparation on the part of the Egyptians as to what would be the impact and implications on their own operations. That decrease hasn't taken place. But you never know in this world now. Certainly there has been a decrease in International Development Association (IDA) support. The World Bank provides no IDA support to Egypt at this time. And while our work seems legislatively sacrosanct at the moment, that could change at any time.

Q: Is this sort of an almost artificial support effort for Egypt that leaves them at high risk?

BROWN: In a sense. Not in my view as nearly as high a risk in terms of its intrinsic role in the economy as that with Israel. But in the Israeli case they are probably better protected from change than is true for Egypt.

Q: Right.

BROWN: There are a lot of people who broadly support AID to Egypt that are sort of uneasy. They don't quite understand why. They understand why AID to Israel. They don't understand why such high levels to Egypt.

Q: Were you involved in the issue of why not make the Egyptian program simply a cash transfer like we do for Israel?

BROWN: This is where I had a lot of difficulties with both some of my closest colleagues in the Congress and with a number of them in Egypt itself. I was certainly prepared to see certain areas made into block grants. However, I felt it was important, for political as well as development purposes, that the United States continue to have a role, a function, in the decision as to how resources would be used. And I felt that until the Egyptians were better prepared to support the institutions and the funding arrangements to support programs for the people, that if there were a shift to block grants of any kind it would not work. Now, can we do better in sectoral or perhaps geographic grants of some kind where we reach broad agreements on how resources should be used and then move ourselves out of the center? I think that is very possible. And I don't think it has been pursued very much. I was not encouraged to pursue it when I was there. Either people wanted to have full control or there were these others: Jim Bond was one with whom I argued for years on this one...who wanted to just turn it over: you know, it is a political gift and it is a political sale let's take care of it that way. So, I wasn't given much encouragement on sectoral lending or sectoral grants.

Q: What have you perceived as the change or increase in capacity of the Egyptians to manage a

major program?

BROWN: Oh, I think they have been substantial.

Q: Are they in a better position now to do that sort of thing than before?

BROWN: Substantial. Much deeper understanding of the need to deal with the reality of economics. There are institutional improvements: the structure of the Ministry of Agriculture has shifted to be much more responsive to the needs of farmers. A variety of things of that sort where I think, yes, there is the capacity, and importantly to me and this is why I would have even liked to try regional block grants was the growing strength of capacity at the governorate level.

Q: But some people describe the bureaucracy as very rigid and impossible to deal with and function in.

BROWN: It is very difficult. It is very difficult. And certainly that is true for ordinary daily issues-daily problems-getting your permit, getting your this...getting something else. It is almost impossible to find the right people in the bureaucracy and when you do it is almost impossible to get what you need without some kind of baksheesh. In that sense the rigidity is there.

But at the leadership level I think there is much greater creativity and thoughtfulness. I think they can do all right on their own without much difficulty. I would like to see them give greater attention to what it would be like if they didn't have that American aid supporting them.

Q: Anything else on Egypt at this point?

BROWN: High level visits were an enormous demand on staff. It seemed that CODELs in particular did not want to visit Israel on the Sabbath and therefore made it a point to use the weekends for their Cairo stops - meaning an even longer week for the staff than usual. Some delegations were thoughtful and well briefed. Others simply expected the staff to be their purchasing agents in the bazaar. Others were very demanding but clearly deeply interested and we welcomed seeking to respond to them. I remember one Congressman from New York who required that he be supported by two Embassy/AID Control Officers because of the wide range of his interests - and he was right.

Visits by Secretaries of State, Agriculture and the like were a huge burden, although tending to affect the Embassy rather more than the USAID. Presidential visits, of which there were several, were even more demanding for the whole staff. One particularly charged period was for the funeral of assassinated President Anwar Sadat. For this three Presidents (Ford, Nixon and Carter) attended, along with previous Secretary of State Kissinger and then Secretary Haig. I was assigned as Control Officer for President Carter and Micheline provided support to Ms. Carter. I must say I found it a delight to serve Carter who acted in an extremely pleasant and gentlemanly manner and Micheline has the same reactions to her work with Ms. Carter. Micheline was also envied by all the other women members of the American delegation since Ms. Atherton arranged for her to sit with her, Mrs. Sadat, Mrs. Nimeiri of the Sudan, the wife of the deceased Shah of Iran, Mrs. Carter and herself during the funeral proceedings.

At a dinner among the American party, the three Presidents each made short speeches. President Nixon lauded (perhaps for the first time in his life) how American diplomats were so good in their treatment of Presidents - but forgot to say anything about Sadat. President Ford made a rather maudlin and unfocussed statement. Jimmy Carter made a moving and thoughtful speech which was just right in its assessment of Sadat.

The whole family loved our time in Egypt. Our oldest, Alain, was then at the University of Colorado, but spent one semester at the American University of Cairo (AUC) and made several vacation period visits. Dean did a year at AUC before going back to the States for university studies and Christopher finished his high school studies in Cairo and then spent two years at AUC. Christopher in particular has a wide range of Egyptian and other classmates who remain his close friends to this day.

Micheline loved it. She learned to speak Egyptian Arabic because she could not stand being in such a wonderful city without understanding everything possible. She explored Cairo from end to end - one of our Thanksgiving days was spent with her taking me on a walk of the old city from the Western Gate to the Eastern one, stopping at innumerable different shops, museums, mosques and the like where she was known. We traveled extensively - both on official activities and on private trips. We visited all of the Nile Valley from end to end. We had a series of visits to the Sinai once this was back in Egyptian hands and had one particularly spectacular visit to Mount Sinai and to Ras Mohamed. Petroleum company friends arranged a one week visit to "the New Valley", the series of oases west of the Nile with half a dozen fascinating but seldom visited towns. Our last major trip was to Siwa, the western most oasis and one that we could visit only in our last year because of earlier security considerations. Alexander the Great visited Siwa and there are some who claim he is buried there.

Throughout our stay we were overwhelmed by the friendliness and openness of our Egyptian friends. They welcomed us into their families and homes and made us an integral part of their lives.

At one point Micheline criticized me harshly (and rightly). We had gone to an official dinner. Our Egyptian hosts took me off to the head table and I simply left Micheline to fend for herself. She did so, but then told me in no uncertain terms that I was becoming too self-centered in the glory of my functions as AID Director. I tried from then on to be less obsessed with my self-importance.

As already noted, Egypt was a wonderful experience for all of us. While I knew that after six years change was due, it was hard for us to accept that our time there had come to an end. Certainly I did not foresee any future assignment in AID which could be as stimulating, as exciting and as much pure fun as our six years there. Still, it was time to move on.

HENRY REITER WEBB, JR.
Agricultural Attaché

Cairo (1976-1978)

Henry Reiter Webb, Jr. was born in Tennessee in 1929. He served in the U.S. Marine Corps from 1946 to 1948. Mr. Webb joined the Foreign Agricultural Service in 1961 and his overseas career included posts in England and Egypt. Mr. Webb was awarded the USDA Superior Service award in 1966. He was interviewed by Ray Ioanes in 1994.

Q: *We move you now to Cairo.*

WEBB: Cairo, Egypt.

Q: *That evokes a lot of questions to me: the Aswan Dam, the huge cost of foreign aid to Egypt, the role that Egypt plays in the troubled Mideast. Perhaps I'm getting ahead of myself in terms of asking you to comment on that. But it seems to me, there must have been by this time, clear evidence that Egypt would play a key role in whether that area ever got pacified, or whether we would have continuing problems there for the rest of our lives.*

WEBB: Well let me just try to make a few remarks to put this in perspective. Remember that this is 1976 and in '67 basically our embassy was kicked out of the country. My predecessor was given about 24-hour notice to get out of the country in 1967.

Q: *Who was your predecessor?*

WEBB: Jim Hutchins. There was a 9 year gap when FAS had no one in Cairo. It was a point where the US Mission in Cairo consisted of 12 people including the marine guards and the communicators. It was down to that small.

Q: *The whole staff, I see.*

WEBB: Anwar Sadat, then the President of Egypt, obviously made a decision, about 2 years before I went over there, that this had been a failure and it was time to reestablish relations. I was number 35 at the embassy, again counting the marines and so forth, when I went over there.

Q: *What year was that?*

WEBB: 1976. When I came out two years later, there were over 250 people at the embassy. I believe now that the whole US Mission there is about 500, it's grown enormously.

Q: *Was the change in this the Camp David agreement?*

WEBB: A lot of it grew out of the Camp David accords, exactly.

This was in some ways a very challenging assignment for me because everyone knew in advance that the Ambassador, Hermann Eilts, a career Foreign Service officer, an extremely able man, had resisted putting an Agricultural Attaché back into Egypt. I remember being called in by Dave Hume before I went over there.

Q: Dave Hume was then the Administrator?

WEBB: Yes. Being told that probably my highest priority was to convince Ambassador Eilts that he needed an Agricultural Attaché -- that an Attaché could be of help to the embassy.

I want to emphasize that at no point did I ever get any sense of that whatsoever. Ambassador Eilts was always as friendly and warm and helpful to me as anybody could have possibly been.

But those were exciting days. We had, as I said earlier, we had 35 people at the embassy. Ambassador Eilts had a staff meeting every morning at 8:30 in his office. Basically, what had to be done that day was distributed around to people at the table. You went home that night when you got it done.

We worked 7 days a week for the first 6 months that I was there. No one at the embassy took off a single day. But you really had the sense that you were a part of a country team in the best sense of that term. Ambassador Eilts didn't just tell you what you wanted to hear. Everyday you would find out about his conversations the previous night with President Sadat or the Foreign Minister.

It was just a very hardworking, very tiresome, a very difficult assignment. Egypt is not an easy place to live, it's not an easy place to get used to. Very poor sanitation, very poor medical treatment.

The city itself, Cairo, in 1976 was basically a city of, we used to say 9 million by night and 11 million by day. Because there were 2 million that would come into the city. The city had added nothing in the way of infrastructure since it had been at the 3 million level. People were living in the famous City of the Dead, living in tombs where people were buried.

We were a very busy, very active post.

Market development has kind of been our central theme here. We did have some market development activity in Egypt although it was nothing like the things I had done in Europe. Interestingly enough, one of the biggest ones there was cotton.

The whole idea here was that Egypt produce nothing except very top quality cotton. They were taking this cotton, which was worth a lot of money in the world market, and using it to make their own textiles.

Q: I understand.

WEBB: For towels and things. This is cotton that should have been going to Paris being spun and woven and producing fine dresses. Instead they were using it to make cotton socks and cotton towels.

So by this time the US was trying to get the Egyptians to import US cotton, medium and shorter length cottons, to fill the appropriate uses for those staple lengths. And export their own cotton at

about double the price.

We did have some success. Although the big concern of the Egyptians was they were afraid that by bringing in foreign cotton, they would also bring in some pests that were not known there. I traveled several times to the West Coast to show Egyptian officials our fumigation facilities and try to convince them that we could fumigate the cotton to where there was simply no risk at all.

Q: *It didn't work.*

WEBB: It worked up to a point but it was not completely successful by a long shot.

While I was there we also did several Food Fairs where someone would come out to Cairo. We didn't really have to do much work on these. Someone would come out from FAS headquarters in Washington, usually for 2 to 3 weeks in advance, and put on some very well done Food Fairs.

Q: *Were these only for Egypt or were people from other countries invited.*

WEBB: Some other people were invited but it was largely for the Egyptian market.

Q: *Didn't you have a huge PL 480 program there?*

WEBB: Yes we had the largest food aid program in the world.

Q: *At that time.*

WEBB: At that time. It was around 750 million dollars a year, almost all of it wheat and wheat flour. There were few other things. In addition there was also the Commodity Import Program of the AID mission. It was bringing in vegetable oils and some other agricultural products.

The total agricultural market in Egypt for the US was probably close to a billion dollars.

Q: *Isn't there still, you may have lost touch with it, I assume that much of that same program effort is continuing today.*

WEBB: I'm sure it is, simply because the population increase in Egypt is far higher than any increases that they're realizing in agricultural production.

Q: *I can recall getting a report from Cairo, earlier, deploring the fact that the government subsidized the consumption of wheat and therefore there was a huge drain on the treasury of the Egyptian government. The government attempted to reduce that subsidy and there was rioting in the streets.*

WEBB: I was there when some of the rioting took place. The World Bank had imposed some strict conditions on new loans to Egypt. President Sadat just decided, to convince the World Bank that they couldn't do this in Egypt, was to announce that he was going to double, triple, or quadruple the price of bread.

As you say, there was some rioting in the streets. There were some gunshots in the streets. The embassy was virtually shut down for 2 or 3 days while things got resolved.

Q: Do you want to comment on the Aswan affair and how that's worked out? As you know, the United States was first offered the opportunity to build the dam and turned it down. The Russians moved in and helped finance the dam. Has that worked or not?

WEBB: By the time I got there, the Aswan Dam had been up for some years. It was there and no one was going to tear it down. It is a popular subject of conversation in Egypt as whether the dam is a net benefit or a net detriment to the country.

On the benefit side, it controls the water. They don't have the flooding and so forth that they used to have every year with the river being uncontrolled.

On the negative side, by far the biggest thing was that the silt that was deposited each year by the flood, was the major source of fertilizer for that year's crop. Now they're having to use chemical fertilizers for substitute. Also, there's a lot of concern about what has happened to the silt. Lake Nasser behind the Aswan Dam will eventually silt up.

Q: My impression, this is kind of a distant impression, is it simply hasn't worked the way people hoped it would.

What is the future of Egypt in that part of the world. We started out with tremendous cooperation with the Egyptians. You've already talked about the Camp David agreement. Today Mr. Christopher is in that part of the world seeing what help he can give to the movement of the talks there.

How pivotal is Egypt to the coming of peace in the Near East?

WEBB: I would think that Egypt will always be the central player. Here in the western world we don't appreciate the fact that for the Arab, Cairo is the capital of the Muslim world. The Egyptians, over a long period of time, have provided both education for people from all over the Arabic speaking world; and have provided a large part of the number of doctors, and well trained professionals, for the whole Arab world.

It would be very difficult to think of the Arab world without Egypt being a very central player.

Q: Did you want to venture any opinion as to whether we're going to be able to bring stability to that region, with or without Egypt?

WEBB: I hope it happens in my lifetime but I wouldn't place any bets on it. The animosities are so deep.

Q: Have you any other comments about that assignment in Egypt?

WEBB: I've just mentioned earlier how difficult it was to learn to be there and to function. But

we've had that in many other countries.

DAVID E. ZWEIFEL
Deputy, Egypt Desk, Bureau of Near East Affairs
Washington, DC (1977-1979)

David E. Zweifel became interested in the Foreign Service during his studies at Oregon State University, where he majored in education. His first opportunity to travel abroad was with the U.S. Navy. His tours in the Foreign Service took him to Brazil, Lebanon, Jordan, Mexico, Oman, Jordan and Yemen. Mr. Zweifel was interviewed by Thomas Dunnigan in 1996.

Q: When that year was over, you were assigned to the Department.

ZWEIFEL: I was assigned to be the Deputy on the Egyptian Desk. It was an exciting period in relation to the Middle East. Were you DCM in Tel Aviv at that time?

Q: No, I left just before the Sadat visit and the Camp David negotiations. So I missed all that. I was back in this country at the time. Who was the Director of Egyptian Affairs?

ZWEIFEL: Dan Newberry was there when I joined the office. He was replaced by Charles Marthinsen.

Q: Roy Atherton was still there?

ZWEIFEL: He was Assistant Secretary for Near Eastern and South Asian Affairs. A paragon. He did a lot of the heavy lifting as the negotiations went forward.

Q: What were some of the issues you had to deal with at the time?

ZWEIFEL: The predominant issue was the peace negotiation and the Camp David process. The Egyptian Desk played essentially a support role in those efforts. But it was professionally exciting and challenging to be involved in the process in any capacity. It was an opportunity to be on the inside of policy decisions on an important issue at a critical time.

Q: How about our military supply problems with Egypt?

ZWEIFEL: Hermann Eilts was our very able Ambassador to Egypt at the time. After the Camp David negotiations resulted in the Egyptian-Israeli Peace Treaty, one of the payoffs for the Egyptians was a sizable U.S. military assistance program. How well I remember Ambassador Eilts on his frequent trips to Washington. He was a tremendously decisive, dynamic person. He favored the military assistance program, but did not want it to involve a mushrooming of his American staff in Cairo. I remember spending a long day with him at the Pentagon, grappling with the issue of staffing the Military Assistance Program (MAP) office in Cairo. At the end of

the day, he reluctantly agreed to allow up to 37 U.S. military personnel to be posted to Egypt for a brief time, after which the number was to drop back down to ten or 15 officers. Of course, that was totally unrealistic. I shudder to think of how many people have been assigned to monitor and manage that program over the years.

Q: Were there any counter-pressures from the Israelis?

ZWEIFEL: Yes and no. The Israelis, being realists and having achieved an important objective of their own, were supportive of a U.S. program that would essentially be a form of compensation for Egypt in return for the step taken, a very bold one in the Arab and Egyptian contexts. So, conceptually, the Israelis did not have much of a problem with the program we undertook with the Egyptians. Now, when it came to the specifics, then, yes, the idea of technological and military superiority of the Israelis was always a given. The Israeli Government was unrelenting in pressing that point. It was understood all the way around that, whatever was done in terms of military assistance for Egypt, this would not give that nation an edge or even the capacity meaningfully to challenge Israel.

Q: What about the F-5s we sent to Egypt? The Israelis have always been very critical of others having modern aircraft.

ZWEIFEL: By that time, as I recall, the Israelis already had the F-14.

Q: They already had the F-15. I was there when they got them.

ZWEIFEL: It was a quantum jump forward for the Egyptians, but it was certainly not something that would match what the Israelis already had in their arsenal. I think that typifies what I said about the terms under which our military assistance program for Egypt was being crafted.

Q: Were we critical of Sadat's crackdown on his opponents or not? He came out very hard on them, I think.

ZWEIFEL: No. We were not exactly thrilled with the idea of some of the oppressive measures he adopted against the Muslim Brotherhood. But our larger interests prevailed. We, and I believe others, understood those interests to be in the continuing commitment to the Peace Treaty and the undertakings that the Egyptians had made at the time of Camp David. We felt that those commitments were closely tied to Sadat's force as a person and to his continued leadership. The real test of those commitments came at the time of Sadat's assassination in 1981.

WALTER M. MCCLELLAND
Consul General
Alexandria (1978-1981)

Walter M. McClelland was born in 1922 and raised in Oklahoma. He graduated from University of Virginia, where he was Naval ROTC. He was commissioned

when he joined the U.S. Navy in 1944. After his service ended in 1946, he entered Harvard Law School and graduate school until 1950. In addition to Egypt, his Foreign Service career included tours in Saudi Arabia, Lebanon, Iraq, Kuwait, and the United Kingdom. He was interviewed by Charles Stuart Kennedy on November 20.

Q: Why don't we just go into Alexandria first? You went to Alexandria when?

MCCLELLAND: I was posted to Alexandria in the fall of 1978. I went without Franna because she was in the midst of getting her MA in Early Childhood Education from Trinity College. (We had not anticipated the Alexandria assignment when she began her course work.) All five of our children were either in college or on their own by this time, so we did not have to worry about their schooling, etc. I thought Alexandria would be a wonderful post for me so I was willing to go immediately, even though this would pose some problems for me, such as taking over a post without my wife to manage all the home and social matters, and for her, such as fixing up and renting the house, etc.

Q: You were there from when to when?

MCCLELLAND: I was there from late 1978 until March, 1981.

Q: What was the situation in Egypt, and particularly in Alexandria, at the time you were there?

MCCLELLAND: In Egypt, President Sadat was very much in charge. He had already begun to talk of Peace with Israel and this caused a lot of problems for him, especially in the conservative Muslim community. Muslim extremists threatened all kinds of trouble. Cairo was the center of discontent, but Alexandria is a very large city, Egypt's only large port, and there were plenty of Conservative Muslims there also. As a result, I had a personal body guard with me at all times.

The United States had also begun a large AID program for Egypt, and in Alexandria this meant our sewer project, rebuilding all the city sewers that had never been properly maintained since the British were in charge! Everyone appreciated what we were doing, but they were angry about the resulting traffic problems. We had also sold some buses to Egypt, but they were not being properly maintained and were constant sources of annoyance. In spite of these matters, Americans were generally welcomed in Alexandria, especially by the Governor, Mayor, and the Egyptian Navy.

The US Navy was about to begin more visits of USN ships to Egypt to show our "even-handedness" with respect to Israel. This brought the Consulate General in closer contact with the Egyptian Navy as well.

Q: Had the Camp David process started?

MCCLELLAND: President Sadat had made his first speeches on the subject and had made his famous visit to Israel. During my time in Alexandria some of the actual peace talks were held there as well as the signing of the Treaty. Most of the negotiations took place in local hotels in

Alexandria, but high-level meetings were held at Mamoura, President Sadat's Summer Home just outside Alexandria. That is where our visiting dignitaries met him. As Consul General I was involved in the process, but of course, the US Delegation and a high-level Team from the Department were in charge. On July 4th, 1979, my wife and I gave a large reception for the peace delegations and our local contacts. It was a wonderful occasion.

I was in Alexandria at a very interesting time. I have forgotten the exact sequence of events, but Vice President Mondale came a couple of times, the Secretary of State visited, President Carter came for the signing of the Peace Accords at Ras al Jin Palace, and we were involved in all of these events. I might just mention that while I was in Alexandria I had two outstanding Ambassadors in Cairo as my overall supervisors: Hermann Eilts, followed by Roy Atherton. It was a real pleasure to work with such excellent and talented Ambassadors and their very cooperative staffs.

Q: I assume Alexandria was a cosmopolitan city, or was it?

MCCLELLAND: Yes, Alexandria is a very cosmopolitan city. Founded by Alexander the Great, it is the home of two of the Wonders of the Ancient World: The Pharos Lighthouse and the Great Library (both long-since destroyed). It is the second largest city in Africa (after Cairo), Egypt's major port, home of the Egyptian Navy, Alexandria University, the Coptic Patriarchate, an ancient Jewish Community, and the remains of large British and Greek Communities.

Q: What was the attitude as these negotiations were going on with these Israelis? Egypt was sort of sticking its neck out in the Arab world.

MCCLELLAND: There is no doubt about that, but Sadat saw that peace was required to build a viable future for Egypt and the Middle East. The Egyptians are pretty adaptable, so although there was a very deep distrust of Israel and Jewish people in general, it was not fanatic except for extreme conservatives. Alexandria, with its history of foreign, and even Jewish, inhabitants and links with the outside world, was probably the best place for the talks in Egypt. Still, I think the man in the street was not happy about a treaty with Israel and the problems that might raise for Egypt among her sister Arab states. Only those with some realistic vision of peace in the Middle East agreed that Sadat's efforts were a good move -- but most of them still had misgivings. Many of my Egyptian friends were hopeful, but they still didn't trust the Israelis.

Q: From the Alexandria point of view, what was the perspective on Sadat's rule in Egypt at this particular time?

MCCLELLAND: I would say that most people felt that he was doing a good job overall, but he had many problems. Earlier in his time in office, before I came to Egypt, I have the impression that he was more in tune with the people and their needs and aspirations than he later became. He was certainly a great statesman, and as time went along I believe he came to feel he knew best what Egypt's policies should be and he didn't need any help from representatives of the people. He really had no legitimate "loyal opposition" that he would listen to. He seemed to get out of touch with ordinary people and more interested in building great palaces in secure areas than becoming involved with people.

Of course, the Islamic fundamentalists were strongly opposed to any cooperation and they are a continuing threat to any moderate Egyptian Government. Sadat had tried to bring the Islamic Establishment along with him, but what the Mullahs preached in the Mosque on Friday often was highly critical of what Sadat was doing. Not only did they oppose an opening to Israel, but they were very anti-western and anti-Christian. Their influence was everywhere, in the University, labor unions, clubs, etc. Sadat's government had to keep a very careful eye on them.

So there was opposition and a lot of criticism. Sadat knew he was in constant danger, but you got the feeling that he thought he knew what needed to be done and went ahead regardless of the consequences.

As you know, I also served in Iran, and I must say that there are close parallels to what happened to the Shah and what happened to Sadat. Both men were convinced that they knew best what the country needed and went ahead without regard to what their people thought. Thankfully, Egypt did not suffer the tragic results that Iran did.

Q: Did you have much success in trying to make contact with the fundamentalists, the traditionalists, at all?

MCCLELLAND: No, I really didn't try very hard because I was not sure what I would be doing and what kind of a situation I might run into. However, I did contact political personalities in Alexandria, some of whom were definitely opposition types. In Egypt, most political activity was centered in Cairo, and this was the Embassy's sphere of expertise.

Q: You left before Sadat was assassinated?

MCCLELLAND: Yes, I left Egypt in March, 1981.

Q: What was the general impression of Mubarak at the time you were there?

MCCLELLAND: I believe most people thought that Mubarak was a very competent person, but not very colorful or innovative. They questioned whether or not he had the personality or statesmanship to be President of Egypt. I think it was more a case of not having seen anything that he had done -- everyone in the Egyptian government was overshadowed by Sadat.

Q: While you were there, were there any noticeable effects of the Egyptian signing of the Peace Agreement with Israel, in terms of economic activity, visits, or anything else?

MCCLELLAND: The most noticeable effect was a result of the US Navy's decision that it should be even-handed with respect to naval visits to Egypt and Israel, so Alexandria got as many visits as Israel -- a large increase for us. I believe these visits were very helpful to us in our relations with Egyptian people in Alexandria. We were able to introduce our fine naval officers to an influential part of the populace that spoke English. This helped the Consulate General's contacts. In addition, a good rapport was established between the US Navy, the Consulate General, and the Egyptian Naval and Military Establishment.

As far as Israelis were concerned, I saw nothing of them and do not believe they established a Consulate, although they may have had some representatives in Alexandria. I did hear of some new business arrangements in which Alexandrians had become partners with Israelis for fruit imports, etc., but most people frowned on such deals because the Israelis had always been their enemies. Also, some Israeli tourist companies arranged tours to Alexandria from time to time.

In general, except for the increased US Navy visits, life went on pretty much as usual with no great change of heart among the Egyptian people.

SALLY GROOMS COWAL
Cultural Affairs Officer, USIS
Tel Aviv, Israel (1978-1982)

Ambassador Sally Grooms Cowal was born in Oak Park, Illinois in 1944. After graduating from DePauw University she joined the United States Information Service as Foreign Service Officer. Her service included assignments as Cultural and Public Affairs Officer at US Embassies in India, Colombia, Mexico and Israel. She subsequently held a number of senior positions in the Department of State, including Assistant Secretary for Latin American Affairs and Deputy Political Counselor to The American Ambassador to the United Nations. In 1991 she was appointed Ambassador to Trinidad and Tobago. Ambassador Cowal was interviewed by Charles Stuart Kennedy in 2001.

Q: As always, it was a difficult time. I mean, the Middle East is always – and you had things going on. I mean, Lebanon and Iran. Was there any ...

COWAL: I also had another interesting experience while I was there, and then we should probably end this. But I was single in those days, and I had divorced from my first husband and was in Israel as a single person. It was the time when the first Egyptian ambassador arrived and he was also single. Much older than I, he had been a diplomat for King Farouk. He had begun his diplomatic career, he was probably 20 or 25 years older than I. We never had what I would call a romantic relationship, but I was sort of a convenient person for him to take along when he wanted or needed somebody to go with him to a dinner party or a concert or whatever to which he had been invited.

It was another sort of whole slice of life, seeing this in a way through the eyes of the first Arab representative in Israel, and that was also fascinating. The way that he was welcomed by Israelis was fascinating. He was like a rock star. People would recognize his car and start waving. There was, on the part of the Israeli public – every place you would go, after Camp David, there were doves up in all these little statues, little banners and stuff. All the signs at roundabouts and stuff in town, they would say, “Peace, Shalom, Salaam,” and it would be in the three languages, and there was this great feeling. In some ways, Saad Murtada, who was the ambassador, was the recipient of many of these warm feelings, so here you’ve got this Arab nationalist. He’s gone

through King Farouk, and then Nasser, and then Sadat, but a very cultured, educated person, nonetheless an Arab nationalist or whatever, and he's sent to this position – very interesting.

Q: Did you get any feeling from him about how he was looking at Israel at that time?

COWAL: Well, I think skeptically, but he was also I think very moved by this warmth that poured out toward him. I must say, I knew the Israeli ambassador to Egypt, also, because he had been an academic, a guy named Shimon Shamir, and he was at Tel Aviv University. He was the head of, I think, an institute for the study of Arab cultures or something, at Tel Aviv, so the Israelis had named him as their first ambassador to Egypt. Of course, they're not comparable. Here, he goes to Egypt, which is a country at that time of 40 or 50 million people, most of whom are uneducated and illiterate, so they don't even have the foggiest clue that some person from a strange planet has come to their midst. Whereas in Israel you have at that time maybe 3 or 4 million people, all of whom are highly political, highly literate, and every single one of them knows there's a new Egyptian ambassador, and most of them are excited and enthusiastic about it.

But Shimon Shamir, it was a very cold reaction on that side, where it was a very warm reaction on the Israeli side. So he had his official contacts. I think people were correct with him, diplomatic. Sadat received him, and later Mubarak and so on, but there was not in any way the same kind of thing.

**GARY S. USREY
Deputy Principal Officer
Alexandria (1979-1982)**

Gary S. Usrey was born on September 18th, 1948, in Cherry Point, North Carolina. After graduating the University of Maryland, he almost immediately joined the Foreign Service and was quickly promoted within its ranks. Since then, Usrey has served in Iraq, Argentina, Egypt, Spain, Morocco and India. This interview took place on April 15th, 2002.

Q: Gary, you are in Alexandria, Egypt. Again, I may have asked before, but was this preordained, or did you ask for it, or did it happen, or what?

USREY: It must have been preordained, because I thought I was going to Bucharest, Romania. I had been paneled and was about to go into language training, and all that stuff, and was talking with Tom Carolan, my career assignments officer, I think he was at the time. I told him my first choice had really been Alexandria, Egypt, that I wanted to get back to a small post in the Middle East, after Baghdad, and told him I didn't really like the big embassy life at that stage of my career. This was on a Friday. Carolan said, "Oh, you want to go to Alexandria, I can arrange that; I'll call you on Monday." I was still in Argentina. Apparently, he broke the assignment of somebody. I never knew who it was, and I wasn't an accomplice in it, it just sort of happened. I was headed back to a small post in the Middle

East, Alexandria, which is no longer open. That is where I met Mac McClelland. They were there at the time. I got there in about January 1979.

Q: You were there until when?

USREY: January 1982, just a few months after Sadat had been assassinated. I always tell people that the best window an American could have possibly been in Egypt was after the Camp David Accords, and the three years before Sadat's death, so for those three years, U.S.-Egyptian relations were astonishing.

Q: Well, let's talk about the post first. At that time, 1979 to 1982, what was the role of Alexandria?

USREY: As you know, we still had a lot of constituent posts that were beginning the process of closing, which had started to commence, but Congress hadn't focused much yet on the numbers game, as they would do later, when they got on the post-closing game, putting notches in their belt. There had always been a post up there, partly because of the fact that Cairo is fundamentally an Oriental city and Alexandria is Mediterranean city, it's a different culture. Another reason, at the time, apart from the fact that we already had property up there that we owned, USIS had a big library on fabulous property, the port of Alexandria was the port through which we were shipping a billion plus dollars a year of commodities on American carriers. You needed the administrative... There was a feeling in Cairo, I think, Herman Eilts and others after him, had wanted the perspective from Alexandria; where there was a big university, which from time to time, had sparked unrest, ahead of Cairo, and for different reasons than Cairo. So, it was sort of the post of the provinces. It wasn't fundamentally important, I don't think, but it was low cost. Security wasn't overbearing at the time.

Q: What was your job when you got there?

USREY: I was the deputy principal officer, but of course, there were only three or four American officers there anyway. But, I was the consular officer and the commercial officer. It was a division of labor that Mac agreed to. He wanted to do the political and administrative work. He wanted to take care of ship visits and run the place, he liked that, and was good at it. So, we had a very, very good attache, a Palestinian, a guy named Victor Masoud, who had been with the U.S. commercial service for 30 years. I basically did what he told me to do, and went on appointments to meet American businessmen, and helped coordinate with the commercial service in Cairo and stuff, but basically it was a part-time thing doing that. I did security too. We had a marine detachment there because there was another installation there that required a marine detachment. There was always something happening at the marine house, misbehavior, and I had to answer to the local security police when they acted up. It was one of those this, that, and the other thing jobs. It was good for a junior officer. I wasn't yet a mid-grade officer.

Q: In the first place, the consular general, the whole time you were there, was Walter McClelland?

USREY: No, Mac left about a year and a half or so... I came off cycle, I came in the winter, so Mac would have left in the summer of 1980. Jim Bahti, who I think came directly from Dhaharan, where he had been consul general, but I'm not sure about that. You must have known him at some point.

Q: Yes, I've interviewed both McClellan and Bobby. Bobby, of course, has passed away.

USREY: Yes, it's a shame about that. So, it was about half and half of each.

Q: How about contacts within Alexandria. One thinks of it, as you say, as being a Mediterranean port; lots of merchants really looking in a different direction than, in say, Cairo.

USREY: Yes, there were certain things thrust upon us that were not optional, such as fleet visits. We got a lot. For some reason, the Sixth Fleet ship guys liked to make a stop in Alexandria, so the sailors could go to the pyramids, or whatever. A big chunk of our representative budget went to supporting that, and maybe we could have done it differently... Mac liked to host these very large receptions with several hundred uniformed navy officers in the garden with the flame trees in bloom. It was all very pretty, but it cost a lot of money. A lot of the Egyptians came. It was a small community. Our friends were people like the Anis family, the Coptic Christian jewelry dynasty that had been there for generations, whom we still know. He's an architect in Boston now. Some other friends were the Nagaars, a distinguished Egyptian family that owned a clothing store chain, and owned property up there. It was pretty interesting. There was a little Francophone community that you didn't see in Cairo anymore. You even had the little Journal d'Egypte, the little paper that talked about the dinner parties the past week, not too important. We cultivated that group. If there was something going on, we would report on it. The university and the governor of Alexandria up there had a big job with the university being a little restive. The Camp David Accord process started to meet up there. After Camp David, the Egyptians and the Israelis, when they were negotiating the movement of the border from Al Arish, all the way back up to Gaza, the meetings for that were held in different locations in Alexandria. At the Palestine Hotel, for example. The Israeli side joked that it should be renamed the Stein Hotel. So, we had to support that stuff. So, we supported visitors, Sixth Fleet ships, wrote the occasional think piece, but not much more. I went to Assiut. No, not Assiut. Where is the most distant of the seven oases?

Q: Not sure, it would be on the map.

USREY: Next to the Libyan border. I went up there and did a report on that, the Embassy in Cairo thought was sort of fun.

Q: Near Al Amayn, in that area.

USREY: Well, its south. South of Mersa Matruh, about 400 miles in the desert there.

Q: There's a big depression there, too.

USREY: Yes, there's the Qattara depression, and then there is the oracle of...

Q: Alexander...

USREY: There's a rumor that his remains are there. I forgot the name of it. Oh, it's Siwa. The last person who signed the guest book there was about five years before. It was a piece of the consular district we didn't see much. But, we weren't terribly politically relevant, I wouldn't say, unless something came up. Mostly, it was a support post.

Q: Was there any reflection, while you were there, of Israelis coming as tourists, to Alexandria?

USREY: The liaison office opened. There were liaison offices at first, not embassies. That came later. I don't have a clear memory of Israeli tourists up there, but there had been a Jewish community in Alexandria, of course. There were probably some old synagogues. There must have been some, but it's not a big piece of my memory.

Q: How about with the university and the intellectual community? Was there much contact with them?

USREY: Yes. Through the old International Visitor program, and the USIS library was a big deal. The USIS library was a very big deal. It was heavily visited and well endowed. They had a couple of activist directors. In fact, it was the day, much later in the tour, when I received a call from Henry Precht in Cairo. It was October 6th, a holiday, and I was about to go play golf. I went into the office to clear traffic and stuff, and was headed for the golf course. Precht called and said, "There's been an attempt on Sadat's life," and asked me to trigger the phone tree, the warden system. He said, "I want you to convey the phone line, three points, to all your wardens. It turned out that they were all completely wrong. One was, there's been an attempt, and Sadat has been injured, but he is expected to survive; he's okay, he's injured, but not gravely injured. He was clearly killed immediately, we later found out. The second point we heard was it appeared to be an isolated group of assassins, and unrelated to any larger movements. That turned out to be untrue, because later in central Egypt, there were subsequent attacks that showed the effort was very coordinated against the whole regime. The third thing he said was "Tell everybody there should be no danger to Americans here." Of course, Americans fell under particular suspicion at the time. Anyway, I dutifully conveyed all the things, closed the school, and closed the library, which was full of people. The library was a big deal. We had IV programs, and we had speakers, and we had an active...

Q: IV being what?

USREY: International Visitor program, where you get 10 or 12 of those a year. They are coveted because they are worth a lot of money. Egyptians selected a translator, and a guided, programmatic tour around the U.S. It was a big symbol of pride to get on one of those. So,

we penetrated the university a lot for that. The university was an important bellwether. For example, there were serious riots there when the Egyptian government raised the controlled price of bread. Sadat ended up having to roll the price back, because popular backlash was so big.

Q: Some places, basically universities can be off limits for Americans, just because of the normal student unrest, and the leftward leaning, and all that. How about that?

USREY: I mean, no, it wasn't quite that bad, although one, even then, was aware of the need to exercise prudence going on campus. You saw the girls with jellabas, as they called them, in Egypt. No, hegab, I guess, is what they called them. So, there was an Islamist presence, and that was the center of some Islamist activity there. But, the relations with the rector and the governor were very, very good. They were very pro-Western. Again, it was the period, due to Camp David, and all that: Sadat embracing Carter. So, if anybody was welcome, it was the Americans, but we would need to avoid any gatherings on campus and be discreet and prudent. So, we steered clear, not knowing what might happen.

Q: What about the visits? Sailors all over the place. Was the fleet more or less able to take care of its people? I mean, the guys getting drunk all over the place, and that sort of thing?

USREY: Well, there was an odd incident. I recall one night coming back from a dinner party or something, and I saw a bunch of not officers, but sailors in one of those horse drawn carriages. I forget what they called them there. They were along the Corniche, and they were jumping up and down, shaking the thing, and almost overturning the carriage, terrifying the driver. I thought, "Gee, that is going to be trouble." But, the Navy shore patrol was pretty active, and proactive. You could go get a bottle of beer, or a glass of scotch in Alexandria in those days. It wasn't like Saudi Arabia.

Q: Were we monitoring, at that time, the Islamist side of things, fundamentalism? Was there the feeling that this is a growing and dangerous forest?

USREY: That's a good question. We were monitoring it, almost as a curious phenomenon that was manifested first in beards and head scarves, men and women. They were sort of confounding the Egyptian administration. I don't think anyone thought that this will be a rise all across. Again, this is more than 20 years ago. I don't think we saw it as a unifying force that crossed the region that would eventually lead to something like what we saw last September. But, we knew we certainly had to watch out for the hardcore, violent groups who had been around for years in Cairo. They were known.

Q: A Muslim brotherhood.

USREY: Yes. You asked something else about visits.

Q: What about how the police took care of the sailors? Did you get involved in getting sailors out of trouble, and that sort of thing?

USREY: No. If there was a big visit, and they were big. We had some nuclear carriers come in there. The U.S.S. Kennedy, for example. These were massive ships, and you would have thousands of Americans disembark. So, Mac got in touch with the Egyptian sea scouts, and of course, they had the Navy shore patrol MPs, and the security apparatus all working. My role in security was between ship visits. I had excellent relations with a contact from the Egyptian police, a guy named Meged, who was extremely helpful. I would go over once a week and have coffee with him. In fact, I'm fairly proud of this. I began to detect a pattern of visa fraud, of documents being submitted that had been done by the same people. There was clearly a ring up there. A very large push began on visas to get out of Egypt, with the grave economic conditions. I took some of this stuff to Meged and showed it to him. He, probably in violation of Egyptian law, called some of these kids in. Of course, they are scared to death of the police. They came right in. He said, "We're on to you." My visa problems would temporarily dry up. We would go for a spell, and this trend would develop again, and I would refer them to Meged. I had almost total cooperation of the Egyptian police. In that sense, we had excellent cooperation with security. It was obviously related to vastly improved relations with Egypt, and this really good feeling about the first bit of the old peace process. Egypt was getting Gaza back. It was exciting in those days.

I was able to drive into Israel. After Dan Kurtzer in Cairo, who was a junior officer at the time, I think I was one of the first people to drive my car from Ismaelia, across the Sinai, and into Israel overland. Big deal. Egyptian plates on the car, and into Jerusalem. It was wild.

Q: Did you get any feel about how the Egyptians felt about the process? Were they just glad to get out of it? Out of a confrontation, and all that, do you think?

USREY: Now, don't forget that the Egyptians still considered the Yom Kippur war a victory. They even have a "victory museum." The fact that Hosni Mubarak, who was head of the Air Force, had dealt Israel a surprise, stunning blow, was paramount in the Egyptian mindset, despite the fact that Israel had made massive gains at the end of the war. But, the Egyptians, for public consumption, and maybe even they believe it now, won that conflict. They did win some respect from the Israelis. There was a feeling of more of equality, and with Sadat they felt strong enough to permit Israel to open a liaison office in Cairo. There was some excitement about the land being exchanged here, which is unusual, giving land back. Then, we had the MFO in the Sinai, and the multinational force. All that stuff was pretty interesting and all new. I think most of the Egyptians meant it. I think they were genuine about this. They decided they would put war behind them, and give peace to Israel on an equal basis, if possible. Among the elites of Alexandria, some pretty cynical, rich, and old, who had seen it during the Nasser years, there was some skepticism, but I think the majority of Egyptians found it exciting. To have the American ally right there, and all the money, that was extremely exciting.

Q: What about the Israeli liaison offices in Alexandria? Did we go out of our way to accommodate them, make them feel at home?

USREY: There wasn't one in Alexandria. The only one was in Cairo. When I was down there, I made a point to drive up and have a look at it. It was heavily guarded. The head of

that office was pretty circumscribed as to his activities, and had to be very careful. The Egyptian press made life a little tricky for that person, even then. They probably did come to Alexandria, again. I don't have a clear memory of Israeli tourists in Alexandria, but they must've come. We didn't really directly get involved in that. Some Egyptians were not afraid to go to Israel. Others were worried they would get it in their record, and then when things turned sour, it would be held against them, because they had been to Israel. Some were keeping their powder dry by not making a trip, but a few did. They were sort of interesting figures in the social circuit. I've been to Israel, and some of the old bugaboos were being broken, so it was neat. But, in terms of the liaison office, we weren't involved.

Q: What about tourism? Was Alexandria where the tourist traffic went, or did the Israelis go straight to Cairo?

USREY: Well, Israelis would go right to Cairo, and even faster to Luxor, Egypt's ancient symbol and the magnificent sights of the Valley of the Kings and all that. But, for discerning travelers and many Europeans, Alexandria used to be a huge Greek city. So, Greeks would visit by ship. They had ferries coming in. Then, you'd see Italians coming in. There were the Roman catacombs which were extremely interesting. There were some Roman sights, even some old vineyards. You could take a trip to the winery, where they say that the wine stock was the stuff the Romans had planted. They would bottle it, and we drank their wine. It was mediocre, but it was something to drink. There was all that stuff around Damietta, and some history buffs would go to Abu Kir, where Napoleon was defeated by Nelson, I think.

Q: Yes, Nelson.

USREY: In 1798?

Q: Yes. His fleet was sunk, and he was left.

USREY: It used to be, I'm told before the Soviets built the high dam, that the sediment, the nutrients that floated into the Nile Delta, produced prawns a foot long, and they would grill these things. You would get a bottle of wine, and for two bucks you could eat yourself silly on the best seafood in the area. After they built that dam, it got more expensive because the catch went down. We would still go down to Abu Kir, to see the Rosetta Stone site. We have a replica of the stone, the original of which is in Berlin, I think. We would make a day of it. The Delta was always fun. The most interesting part of that country is that Delta. It's as densely populated as the Ganges. It's one of the most densely populated places. It's almost like India or Bangladesh, right there. Of course, if you see it from space or in the air, there is nothing beyond the river. Yes, there was tourism, but the big ticket, serious stuff tourists went to Giza, and then headed South.

Q: Was there anything to the El Alamein and the British-German battles?

USREY: On the anniversary of the defeat of Rommel, by Montgomery, there would be a big thing out there, and you would get a lot of veterans, the Brits. People would wear their uniforms, and there would be a big commemoration. That was mostly the veterans and their

families, but some tourism. Just west of El Alamein, two, three miles, was one of the best little spots in Egypt. It was called the Sidi Abdel Rahman, and it had a hotel/motel there, with cabanas on the beach. I got into snorkeling and scuba diving when I was out there, with some Egyptian friends. We would shoot lobsters, and shoot these sea bass, and then cook them in the kitchen of the hotel. It was so beautiful. We had some great holidays out there. You would see some Europeans, Italians, and some curious Brits looking at some war sights, but beyond that, it got pretty thin, when you got to Mersa Matruhi, which was the last stop before Libya.

One thing we did have, and I forgot to mention, on the political side, King Idris of Libya was in exile in Alexandria. He had been overthrown by Qadhafi. There was a cordon of people around Idris, who continually plotted the overthrow of the Qadhafi regime, and the return of the rightful king to his throne. From time to time, they would visit us, and sometimes even call on me, instead of the Consul General. They would ask for U.S. support in something like that, if something were to go down. I would always say that I would report their views, and we would all chuckle later. I'm sure the CIA took a look at it. Every so often, there would be a group of these guys around Idris, who would say, "Do you want us to take care of Qadhafi, and would you support us?" They wanted money. We never did anything with it, and obviously he is still there. That was an interesting thing. You also had the Holy See of the Coptic Church, whose pope was in Alexandria, so we made courtesy calls on him from time to time to discuss Christian- Muslim relations.

Q: I'm told the Egyptians are really open, very friendly people. How did you find them?

USREY: Fabulous. When I think of the three Arab countries in which I served, Iraq, Egypt, and Morocco, I'm struck by how different all these people are. In Egypt, they say it's the river, that the Nile has been their lifeline of commerce and culture, with the Africans coming north, and others coming south. After millennia of foreign penetration, the Egyptians are just, by definition, open because of the way they live, in that valley; there was simply no alternative. The Iraqis were harsh, but they were somewhat social. I found the Moroccans to be very reserved, almost like the Basques, the Moroccans. They were friendly when you got to know them, but quite difficult to cultivate. The Egyptians were all over you, like the Italians. They are Mediterraneans. It was really fun to be there. They opened their houses to us, and we were very busy, socially. It was a lot of fun.

Q: You mentioned before that you had an intimate dinner with Jimmy and Rosalyn Carter, and Anwar Sadat, and Arafat. This was a small, littler dinner party?

USREY: I guess the origins of that were at Camp David, when Carter talked Begin into returning to the negotiations. He was about to leave. You know the story that Bill Quandt tells is that Begin, discouraged with the lack of progress with Sadat, called for his helicopter to leave. Carter, who was desperate, pulled out his wallet and showed his daughter Amy's picture to Begin, and said, "What are we going to do for this generation?" They went back in, and concluded the agreement. Then, Sadat must have asked Carter to visit Egypt. He obviously agreed, because he went. Carter flew into Cairo, and had meetings there, and then Sadat arranged for the two of them to travel by private train to Alexandria, the old summer

capital, where King Farouk spent the summers. Sadat gave a state dinner at the Ras el Tin Palace, the old royal palace, which is beautiful. I was amazed that we got included on the guest list. There were about 400 people, and we were the lowest ranking people on the list. We were at a remote table, hundreds of yards from anybody. There was a receiving line, and I got to meet all these people, and two presidents. I think, also, Zbigniew Brzezinski.

Q: It would have been Brzezinski.

USREY: I don't recall Kissinger. That's funny. Wait a minute.

Q: Well, Kissinger was serving then.

USREY: Who was Carter's Secretary? I guess it was Vance.

Q: It would be Vance at that point, probably.

USREY: I don't recall Vance being in the line. I remember Brzezinski. But, the highlight of that trip was, the two to three hour trip up through the Delta, which is, as I say, one of the most densely populated places in the world. The crowds of Egyptians formed at each village along the way, jogging along with the slow-moving train, yelling, "Sadat, Sadat, Carter," for 150 miles. Carter was moved by this. He remarked at the dinner, "I would hate to run against this guy in the United States. Sadat would be a formidable political opponent." Things were really pretty special at the time. That was remarkable. I recall my wife being worried that she didn't have a formal dress with sleeves to wear, since we'd only arrived a few days before and our air freight had not yet arrived with all our clothes. But things worked out fine, as I recall.

Q: I take it that there wasn't a security problem, as far as the police following you around?

USREY: No. I would ride in with Mac in the morning. We only had one official car, and he would come by and pick me up. If you've ever been to Alexandria, it's an odd geography. It's like a sandbar off the coast. Literally, it's like a strand, like the Outer Banks. The ancient city is built on this thing. It's not very wide, and you can't really vary your route, but he tried. I think we had a guard who sat in a car, and then followed. But, to my knowledge, there was never an incident, except one of our Marines who shot up some woman's house with a BB gun. I had to go to Brigadier Meged on that one. Things were pretty safe. We had plenty of security. Whatever we wanted, they would get. I'm sure the governor of Alexandria was afraid to get a report that he had not been forthcoming to the American consulate general, and then it would get back to the Interior Minister. It was like they couldn't do enough.

Q: You got there in 1979, which is a rather critical year, in that our embassy was taken over in Iran. Our embassy in Islamabad was burned.

USREY: In Tripoli, do you remember they almost killed some people? They had to escape down a staircase? They were pouring oil on the stairs, or something? It was very nasty.

Q: Yes. So, how did that play where you were?

USREY: Well, I think the Egyptians were aware of the gravity of all that. They put a security clamp on. There were no remarkable incidents in Egypt that I recall. But, it was very bad. I guess it was sparked by rumors on Saudi radio that during the Hajj, the Americans said there was an explosion.

Q: That the Americans had instigated that.

USREY: There is nothing worse that you can say. Bad news. I had my BBC and the VOA. I had gone down to Hurghada on the Red Sea for a long weekend with the family. I took my radio and heard that our embassy in Iran had had hostages taken. It didn't resonate locally, really. I don't have any memory. I'm sure security was increased, but no.

Q: There wasn't any talk of evacuating Americans, or dependents, or anything like that? Because in some places, they did.

USREY: Of course they did, in Islamabad. They closed in Tripoli.

Q: I think in the Gulf states, dependents had to get out, much to their annoyance.

USREY: I don't recall any. There might have been, between the RSO and the DCM in Cairo, when they talked to the department, some "What do you think?" There was probably some cable traffic between Cairo and Washington that we did not see. I don't recall that departure being a debated issue. Again, remember the American security assistance was coming in big time. The Egyptians wanted nothing to endanger that, and would do anything to clamp extremism down. It seemed like a foreign event from there.

Q: What about the sway of our embassy in Cairo? Did you feel you were on your own?

USREY: I felt we were pretty much on our own. Mac would make it a point to go down once a month. He asked me to take turns as well, so each of us would go down every other month to Cairo. We would attend a staff meeting, and say something when our turn came, about Alexandria. We would make the rounds and go through. If we had a complaint with the GSO or personnel, or whoever it was, we would just see everybody. I would routinely call on the ambassador. We would make a courtesy call, for five minutes, or whatever. They didn't ask a great deal of us, and I don't recall any instructions, at my level, that Cairo issued, that we disagreed violently with. We would get regular visits from that very big embassy. I remember being struck how big the damn thing was. It was immense. The biggest in the world, if you counted AID contractors, depending upon how you defined it. There were hundreds of FSNs, and several property warehouses. You got down there, and you were glad to get back on the train that night to Alexandria, and return to your little quiet post. I liked Alexandria. I had a nice house, and Cairo pretty much left us alone, although we did stay in touch. We had a leased telephone line with the Embassy that enabled us to avoid long distance service. We used that pretty much. I stayed in touch with the consular section pretty frequently, because there were lots of back and forth checks and collaboration regarding visa

issues. I didn't feel that we were chafing under a centrist administration in Cairo. The type of people who were there were, at first, Hermann Eilts, and then Roy Atherton...

Q: *So, Roy Atherton was the...*

USREY: I don't recall either ambassador being terribly interested in Alexandria, or management in general. Atherton was known for his lack of interest in that issue.

Q: *Yes.*

USREY: He didn't care much for management, even later when he was Director General of the Foreign Service. Otherwise, he was an excellent ambassador. He and his wife were interested in the American school in Alexandria. He faithfully would attend the meetings. Mac was also very involved, and then when he left, I took over as the school board rep, since we gave the school a USG grant. The school played a big role in post morale.

Q: *Was there any university or school there with American ties, but Egyptian run or not?*

USREY: At the university level?

Q: *Yes. Or, at the high school level.*

USREY: We had the Alexandria American school. What was it called? The Schutz American School, which started with some missionaries. It had mostly Egyptian students. Its original history was as a boarding school. So, they still had a few kids whose parents were in places like Yemen, or something, and they board them there, in the region. We gave a fair amount of money, and even financed some capital projects, and construction stuff. If that's what you mean, we had a pretty close collaboration that way. There were a lot of American teachers there. That is still operating. We still get their newsletter. With respect to Alexandria University, it was a huge public institution, with 100,000 students or so. We were quite active in our relationship with the University, such as with grants and visiting U.S. professors.

Q: *How about the Suez Canal? I guess Port Said was shut by this time, wasn't it?*

USREY: Well, it was open when I got there. In fact, Haywood Rankin was the consul and did a wonderful last piece on the history of the canal and the city of Port Said, when the Consulate closed. But Port Said was in Cairo's consular district. I never actually went to Port Said. I crossed the Canal once at Ismailia, but I never saw Port Said.

Q: *Did you get any feel for Libya, and Libya messing around with Qadhafi there, in Alexandria?*

USREY: Well, we had some people up in Alexandria who paid attention to that, but it was not part of my work load. Qadhafi was very much an irritant for our policy, and the U.S. wanted him out of there. The Egyptians were afraid of trouble coming across the border. It

was a pretty heavily policed border, in terms of the security. If you meant that we felt a permanent, ongoing threat, it was more of how we view Castro now. Qadhafi was sort of an embarrassment, or an irritation, but not an obsession.

Q: There weren't alerts about Libyan tanks on the border, messing around?

USREY: I think once, at least, there was the rumor that they moved some Egyptian forces toward the border in response to a perceived threat of Libyan meddling. I seem to recall a helicopter crash near the Libyan border that killed a number of Egyptian senior officers. There was some press speculation about Libyan involvement, but I don't recall the details.

Q: Were you doing political reporting there?

USREY: Only occasionally. Mac and Jim would do most of that. Sometimes they would ask me to add some things. If I had a piece, I would send it up, and Jim or Mac would add something. We didn't send a lot. It was only the three of us, and we kept fairly busy administering to ourselves. But I was asked to make a quarterly report on the mood on American business or something, since I did the commercial work, or the mood on the campus. We would put together periodic pieces, but the demand for reporting was not great.

Q: With the money going in, and the Camp David thing, was this considered an area of opportunity for American business?

USREY: It was. We viewed Egypt, and Alexandria, as a potential hub for regional business, but in retrospect that didn't happen. The Middle East is not an integrated regional economy. They all trade with Europeans or the Americans. They don't trade among themselves much at all, despite all the rhetoric about Arab solidarity and the Arab nation, and all this crap, they won't trade with each other. They pretty much don't like each other, as you know. One of the big battery companies, it might have been Everready, manufactured batteries in Alexandria for export in the region, and there was oil, we had a Phillips rep there. There was an old Ford plant that used to make bus parts or something. Then, Ford was a boycotted company, after the '68 war. With the Camp David agreement, there was hope that the Ford plant was going to start turning out cars, to be distributed inside Egypt and elsewhere in the Middle East, and that never happened. We kept in touch with the plant manager, and we couldn't get a clear answer on the economics of it. Given the foreign investment there, Alexandria with its port had some attributes of being a regional business hub. It never really took off though.

Q: What about the infrastructure of Alexandria? Later on, I think much of our aid has gone into sewage and communication, basically trying to make Cairo and Alexandria viable, modern cities. Was this happening?

USREY: It was. A Boston-based company, the name of which escapes me now, had an AID contract for building a proper sewage system. Apparently, the untreated sewage at that beach... You know, millions of Egyptians go up there in the summer from Cairo. They would take turns in apartments. One family would walk all night, while the other family slept. The beachfront was packed with these apartment houses. So, there was a huge tourist trade to

escape the Cairo heat. So, people would swarm to the beaches. But the existing system dumped untreated sewage just a few hundred yards offshore. The American plan was to partially treat the sewage and dump it in an outfall a mile or so offshore where currents would disperse it. U.S. firms were also working on water treatment. In fact, we got very worried about the health of the people at post. We found out that the water in the Mahmudiya Canal, which was one of the irrigation canals, from which they took water for the city supply, had heavy metals, or mercury in there, or cadmium. It was bad stuff. So, we started drinking bottled water. That was very much a concern of the post.

In a funny aside, there were these dilapidated Egyptian buses in Alexandria that would lean to one side, with dozens of kids hanging off the back. I thought it was such a shame. Through the Blue Bird Company, we financed the sale or the grant of a bunch of buses to the Alexandria Transport Authority. Within a few weeks, they looked like the old ones. They were just beating the shit out of them. All the seats were torn out of them, and guys still were hanging off the back. The Egyptians joked about poor American workmanship. Of course, they had 200 people on the bus, designed for 75, or something. There was a lot of that. The airport, which had been closed, I guess, for military reasons after the '68 war was reopened after the '73 war. It was a long drive to get to Cairo, about three hours. The train was about three hours. Do you remember the Austrian race car driver, Nicky Lauda?

Q: *Yes.*

USREY: He started an airline using Fokker commuter aircraft, I think a turbo prop. So, you could suddenly fly to Cairo. It took about 20 minutes to get there. It was great. So, you could come down and come back very easily, in one day. More importantly, when we had the presidential visit, we could use that airport to support flights. Not Air Force One, but support stuff. But I don't think Egypt ever realized its regional trade potential.

Q: *Well, one thinks about Italy and Greece. Were these natural trading colleagues?*

USREY: In fact, the Greek presence was important. The Italians were also quietly moving into Egypt. This was about the time that Italy supplanted the U.K. as number five economy in the world. When you would go to the market, you had this Italian baby food, and Italian clothes, and Italian toys, and Italian magazines. The Italians suddenly seemed to be all over the place. With their low transport costs, Italian firms had an advantage. The Greek presence was more cultural. They had a large consulate general, and the Consul General complained all the time about how bad Egypt was. There were some Greek tourists, and I guess some Greek trade. In what, I don't know. Maybe it was in olive oil, or something.

Q: *I was in Greece as Consul General from 1970 to 1974.*

USREY: In Thessaloniki?

Q: *In Athens. One of the big exports from Alexandria was Greek women who were born in Alexandria, and were belly dancers. I was told the best belly dancers were Greek Alexandrians.*

USREY: Belly dance is, I guess, originally Turkish. They don't really do it in the Gulf, and they don't do it in the Maghreb, but in Egypt, it's an art form. That's right, they had a lot of Greek names. I remember one party that was given by someone named Stephanopolous, who was a retired Greek tycoon. He was Egyptian, but Greek originally. Any big party you went to in Alexandria, there were always some Greeks, usually speaking French. It was a disadvantage for me because I didn't speak French at the time. I felt a little awkward. At some point, diplomats would come erroneously trained in French. One of the Soviet bloc guys was Romanian, I think. He only spoke French. He was often stuck there, talking with only a small group of people. Yes, the Italians were all over the place. I think they were probably doing oil exploration in the Red Sea when they found out there was oil there. The Greeks too.

Q: How about the Soviets? What were they up to there?

USREY: That was the time when we boycotted the Moscow Olympics, and the Soviet departure from Afghanistan, so we really had very limited contact with them. Our policy did shift with Carter's change in the China policy, and we were allowed to have an exception in our contact policy with Chinese officials. I had frequent contact with the Chinese Consul, and I recall a few 10 course dinners at the Chinese consulate, which we were obliged to report afterwards. But the improvement in U.S.-Egyptian relations really began to see the waning of Soviet-Egyptian relations in all areas.

Q: Well, then, is there anything else you should cover there?

USREY: I don't think I mentioned when Sadat was shot, all the confusion. During our last three months in Egypt, Mubarak was president. There was a lot of soul-searching about Egyptian security in the interim.

OWEN CYLKE
Deputy Director, USAID
Cairo (1979-1983)

Mr. Cylke was born and raised in New Jersey and educated at Yale University. After a tour with the Peace Corps in Ethiopia, he joined USAID in 1966 and served several years in Washington, where he dealt with African matters. In 1968 he was posted to Nairobi, the first of his overseas posts, which include Kabul, Cairo and New Delhi. In all, he dealt with environmental and development matters with USAID. Following retirement Mr. Cylke continued work in his field, including holding the Presidency of the Association of Big Eight Universities, which also dealt with developmental and environmental matters in the developing world. Mr. Cylke was interviewed by W. Haven North in 1996.

Then I served in Egypt and in India and in all cases, just superb on the technical side. I'll come

back and talk about it later. What happened was, I think in the Agency for International Development also, a little bit of what timing- You have to have some skill, but luck and timing is really what it's all about. Don Brown happened to be looking for a deputy director in Egypt. Although it wasn't the end of my tour, the revolution came, I wanted to get out after two years. Don had worked with me in the Sahel. As I said, a known quantity was always better than an unknown quantity. So, Don wanted me to come up to Egypt. In a career sense, it was a big jump.

Q: With your capital projects orientation-

CYLKE: Yes, so I went up to Egypt. The other thing though about Egypt was, you know, at that time, I can remember walking down the hall of the Agency and someone stopped Don and said, "What are you going to Egypt for?" It was a curious instance. A curious instance was considered a pox, I think. The Agency had lots of "can't" about it. Development assistance was good and security assistance was bad. It was political. I think a lot of people thought Don was committing bureaucratic suicide, going off to Egypt at that time. It was a silly assignment for him. Of course, the mission hadn't grown to its size at that point. I think it was just moving from \$300 million to \$1 billion.

Q: This was what year?

CYLKE: I went in '79. I think Don probably went in '77. Even then when I went, people asked me what I was doing. Was that the right career decision, going to Egypt? The Egypt didn't have its bigness. It had just gotten its billion dollars. I think I went because it was a big program, obviously, and Don Brown was somebody I had worked for before and just had enormous respect for. I thought, "What an opportunity to go and learn something." So, I went to Egypt.

In Egypt, you learned that a lot of people's deputy is what the director wants. There is no job description. It was clear what Don wanted. He wanted two things. Don had tremendous responsibility in terms of this. I think he's the one who reinforced in me this interest in technical officers. There was a tendency on my part also to go with your program officers and we had good ones. That office is unique. Fritz Weden, who is now the deputy assistant administrator of the Asia bureau, was the program officer. George Laudato, who was his predecessor in that job in that job, was the program operations officer. Jim Norris, who was probably one of the most distinguished directors in AID history and recently has just returned from Russia, was our program economist. John Blaston, who was the director in Pakistan, was our regional sociologist. It was just an incredible staff of program people. Don made it quite clear that, as far as he was concerned, his technical directors ran his program. Program people were interesting. They could have their insights. They were part of the social coterie with which Don Brown traveled. They had a lot of extra bureau influence on his thinking. But the program was shaped by the technical directors. Don had enormous confidence in them. I think he just made it crystal clear to me that they were running the program, not the program office. That was really important. And they were exceptional people.

The job, as far as Don was concerned, with me, I think, was twofold. One was, you had to obligate \$1 billion a year. There were tremendous pressures within the mission, particularly in education. They would have a whole bunch of \$3 million projects and \$4 million projects. It took

a lot of those to add up to a big number. You could never tell how many of those guys could deliver on what they said they would do. The capital guys were always looming in the background with a \$400 million sewage project or something.

My job kind of was to make a judgment as to how all these programs were moving forward and what we could obligate and couldn't obligate and to make sure that money got obligated in the end. So, you were a troubleshooter in a certain sense. You were managing a portfolio rather than projects. I guess I was more like a program officer in that sense and I'll come to that in a minute. The other thing was that Don, I think, was so consumed by his work that he didn't have much of a sense as to the pulses in the mission: who was happy, who was unhappy, was housing really eating people up, whatever it was. He had a deputy before me who was more like himself. He felt that he didn't have a handle on what was really happening culturally or socially within his mission. He had an awful lot of people who had to get an awful lot of work done. I don't want to call it "morale chief," but he needed to know who was upset, who was angry, was housing really an issue, and to get those problems solved so that the mission moved ahead.

Q: How big a mission was it then?

CYLKE: I think we had 100 to 125 Americans. I think it ran very well, but Don was all business. We didn't have an executive office. He refused to have one. He allowed the Embassy to do that. His argument was that, "If I run it, I'm going to spend half my day running an AID mission, rather than running a program." That was an anti-AID thought in those days, but he felt very strongly about that. So I spent a hell of a lot of time with the Embassy on administrative matters. I spent a tremendous amount of time on the program side. I guess what I really came to sense there, Haven, was that I think this whole word "project" is something that real anthropology work out to be done on. Projects to me were capital projects. A project was building a road. There was a certain panache that went with it because we could cost it. It had a beginning. It had an end. It had a benefit-cost ratio so that the technical assistance side, over the years, adopted this word "project," which became encapsulated. It became the management unit of the Agency. All kinds of problems with that. It didn't capture the complexity of how you build institutional capacity. It didn't give enough room for- I think in the old days, there was some abuse of this. But I think also, the University of Oklahoma coming into a Ministry of Agriculture and through the (inaudible) of the relationships, something developed. When it became a firmer contract with a beginning and an end and deliverables, it's just not possible to predict in advance whether a government's going to respond or whether an institution's going- A certain kind of something came into it.

Secondly, it became the management unit. So, each project had its own contracts, its own history. So, if you had a project, you then led a contract for it that was 18 months. When you looked at the portfolio in the Egypt mission, it was clear that we should have been running on a portfolio basis. We should have had a set of contracts for our agricultural sector, so that if we authorized a project, we could have moved immediately into implementation. But the Agency had organized its whole management structure around the project. So, not only were there certain substantive problems with that that weren't captured, I think as a management thing, it was a nightmare. We had 200 projects, 200 separate management units, 200 separate contracts, 200 separate procurement actions going on. It just fractured your ability to manage the portfolio. If

you were trying to move the agriculture portfolio in a direction, it was fractured by the discontinuity of different contractors, different timing, different projects. You couldn't get them all on the same kind of wavelength. I always thought it wasn't an argument to go to sector loans particularly, but it seems to me the Agency missed something that could easily put their abstraction on portfolios as put it around projects. But it got captured by projects. I think that-

Q: What do you mean by "around the portfolio?"

CYLKE: Maybe you could have let like the Global bureau do it. A contractual set of relationships with some organizations that would have come into a relationship with Egypt over a 10 to 15 year period, two or three universities, two or three consulting firms. They would have been on staff, developed your program and moved from that day right into implementation. When we finished a project paper, we started almost an 18 month process to get a contractor on the ground. We had to go through the negotiation, mobilization. It was an incredibly time-consuming kind of process. You were constantly introducing new contractors into a country which they didn't know. There was no relationship among them. There wasn't a common vision of what we were trying to achieve. So, I think in both a substantive and a managerial point of view- Actually, it was a guy named Dick Siphman - and I still have the report - who wrote a really good report on how that mission was getting chewed to pieces over these projects which were just "proliferating" and the management system couldn't keep up with it. It was fracturing whatever development agenda we had across a sectoral kind of basis. I can't go much further than that right now, but that was very much on my mind at that time, that we were just offbeat.

Secondly in Egypt, my job was almost entirely internal. I don't want to say it was running; the mission runs itself. But it was a certain set of core administrative duties and this kind of moving this portfolio forward; and, three, troubleshooting.

Q: What was the overall rationale for the program? What were we trying to do?

CYLKE: We were trying to obligate a billion dollars in Egypt. That came out of the accords, of the Camp David Accords. My own perception was that the Agency, having gotten into it, didn't know how to get out of it.

Q: Do you know any reason why it was a billion dollars?

CYLKE: The Egyptians, I think, were quite shrewd. It was to equate with the Israeli level at that time. What the Egyptians decided- They didn't have any special punch with the Congress. Their political scheme was equality, evenhandedness. "So, whatever the Israelis get, we get." They (inaudible) that the Israeli lobbyists knew their bidding. That's where the billion dollars came from. It happened that the billion dollars was also an interesting other number. It had a psychic value as well. They got a billion dollars a year in remittances. They got a billion dollars a year from the Suez Canal tolls. They had a billion dollars a year in tourism. And they got a billion dollars a year from AID. There was a certain, almost religious sense about that number of a billion dollars. That's not where it came from. That was by happenstance. But that was always the major kind of thing.

In that country, because of Don, I really learned a lot. I was a member of the country team. I went to the Ambassador's staff meeting every day. Don took me to mission director's conferences as the deputy. He argued that it was a large enough mission that it was silly not to have his deputy. I don't think Don ever had a meeting that I didn't attend or could attend if I wanted to attend. He was absolutely open. There was no hocus pocus going on.

Now, there was tremendous tension with the Embassy from two points. The Embassy thought that we weren't having the kind of desired political- Every mission director has heard that everywhere. We weren't having the necessary political impact. The people didn't notice that we were there.

Q: The general population?

CYLKE: That was their perception: that we weren't having an impact on the population. The people in AID were worried that we weren't having a development impact. We were building these things, but we weren't having a development impact. The Embassy was concerned that we weren't having a political impact.

I think this would be fair. I think I could say this about Don. Don's reaction was that- I used to say that, when the Ambassador would say something to Don - "Don, you're not responding" - Don would say, "If he cares enough, he'll ask me three times. The third time, you always do to what the Ambassador asks. Never the first time. The first time, he's probably playing to his audience in the Embassy. He knows what my job is." An interesting lesson. If the Ambassador asked a third time, Don always responded. The first time, Don would never respond, if he didn't want to. And the Ambassador was playing, to a certain extent, to an audience in his Embassy that had a view. They didn't like the arrogance of AID. They didn't like the fact that we had a billion dollars. They didn't like the fact that they didn't control it. But they also probably had a certain legitimacy. I recall, once Don went on home leave. The plane was no sooner in the air than I was called into the Ambassador's office and told that I had to do something with the program immediately, or there was going to be an explosion inside the Embassy, the political counsel. Don Brown's airplane wheels were in the air and they decided they couldn't deal with him. They called me and what to do? I remember, Blackton and Norris and I sat around for a day batting ideas around. What do these guys want? Do we fight them? We had a big enough program. Is there something useful we could do? The Embassy wanted a convention center, Jimmy Carter Convention Center.

Q: They weren't really talking about people. They were talking about politics and government.

CYLKE: Yes. They were talking about impact, popular impact, newspaper impact.

Q: I see.

CYLKE: We had a set of programs which were village services, trying to get irrigation into villages, clean water into villages. We came up with a program called "neighborhood urban services." It was to treat neighborhoods in Cairo like villages. We went into the neighborhoods and talked to them about what they wanted. What they wanted were pedestrian overpasses over

streets. What they wanted were schools refurbished. What they wanted was a health clinic. It was very similar. The program was developed that quickly. I don't want to take any pride for it, but it is interesting how AID officers can respond, I think, to the developments on the political imperative and come up with a successful kind of project.

But the second aspect was really running the AID mission. The economic counselor wanted that desperately. It's just a cute story in the history of AID. I think Don understood the State Department. I say this because, at some point, you're going to ask, "Who are the most people (inaudible) most impacting?" I never worked for a bad Ambassador. I thought that they were every bit as effective mentors, serious development people, and serious representatives of our government as anyone. I'd mention every Ambassador I've worked for. But they still had a culture like we had a culture. So, Don said, "I'm leaving. I think the economic counselor ought to become the AID director." We were all aghast. "Don, how could you give away-" He said, "Don't worry, there's one condition: he has to come and sit in the AID mission. No economic counselor is going to give up his office next door to the Ambassador's door to come to the AID mission," which was true. He never came and the issue went away. He called their bluff. They didn't pick up on it and it went away. It's just one of those stories in AID culture that I think is nice to report.

Don was replaced by Mike Stone and this was interesting. Peter McPherson had a sense that Egypt mission somehow wasn't walking with power. We weren't close enough to Sadat, that Don Brown was the best that AID could produce, but that he wasn't Henry Kissinger. The secret to our effectiveness was getting an AID director who would have more visibility than any Secretary of State. So, he went out and came back. This was talked about. It was talked about with me. It was talked about with Don. They said there was no disrespect, but this Agency doesn't have a person who should lead the Egypt mission. They went out and recruited one. They recruited a guy named Mike Stone, who went on to have a very distinguished public service career. He retired as Secretary of the Army. But he was an entrepreneur. He was recruited by a headhunting firm. He had founded Sterling Vineyards in California. He had sold Sterling Vineyards to Coca-Cola, had been the vice president of Coca-Cola, and came into the Agency as the director.

What I saw in that was interesting: the Agency rebelling at the notion of an outsider coming in. They were offended by the notion because the Near East bureau wanted to be in charge. Remember, we discussed it before. The notion that an outsider was coming in, who had an independent line to the administrator, who was going to break their kind of control. A director who had never set foot inside the government before, had no idea what government was about or what AID was about, thought that he had a billion dollars to play with, when, in fact, my argument to them was that it was an accounting symbol. Our level is a billion dollars, but there's a million people involved in the decision making on these projects. There is a process that happens here. Your staff, the approval committees, Washington, the Congress, the Ambassador.

But he took the job with the perception that he himself was given a billion dollars to run the program. So, it was one hell of a year as we all got used to each other. Mike's passed away, but I don't think he'd object to this observation about him. I think it's interesting. He's an entrepreneur and entrepreneurs had certain characteristics which we talked to Mike about. You never talk

about yesterday. The future is always in front of you. Everything's one on one because you're making a deal. And everything's possible. It was really interesting because AID comes from a very different, more deliberate kind of culture. You almost never go to a meeting one on one. There's always someone there to either tell you what happened in the meeting because Don always wanted someone in the meeting. He was on in the meeting, trying to push a point. He wanted someone to tell him what happened in the meeting almost, to have some perspective after the meeting, or to remind him of a point that in the course of the engagement wouldn't be there.

For Mike, I think, it was a disappointing experience as well. He left AID, went to the Army and became the Secretary. He was in charge of manpower at the Army and became Secretary. A very nice man, by the way. He had no malevolence.

Q: Was this the role that McPherson had in mind?

CYLKE: No, because, I think, he was an entrepreneur. I don't know what McPherson had in mind. I think the best example would be George Schultz from Bechtel, a businessman-statesman, but a man who had managed major affairs. Mike had never really managed major affairs. He had created a company with enormous achievement, but that was not a management job. It was an entrepreneurial kind of job.

Q: But how did the Ambassador perceive this since it was really the Ambassador's function, wasn't it?

CYLKE: First of all, Wyatt (inaudible) was the Ambassador, a class act. I don't know what the promotion system is in all of these organizations is, but it seems to me it largely works. Wyatt's feeling was that he would come out of a meeting with Mike and he felt that everything's possible and (inaudible) is saying, "Were we in the same room? It's not possible. The Egyptians are not going to budge. I think our Ambassador there didn't have much of a- Well, Sadat was his client. I think Roy managed Sadat because it was such an important relationship. But in terms of access to ministers or anything like that, that mission was so busy- I'd never been in one of these mission where people were fighting over access with State Department Ambassadors and things of this nature. I've always worked in Embassies where there was absolutely a sense of mutuality about what was going on. In Afghanistan, there was a bit of a tension, being a small post, between Ted Elliott, who had an executive secretary and Chuck Grader, similar personalities.

But I always thought it was almost silly and it was never serious. We did pretty much what we wanted. There were lots of silly battles over automobiles. In India and in Egypt, I worked for people who understood the role of AID in their country, were interested in it, had no interest in running it, had certain predispositions about American foreign policy and how development and/or AID fit into that, but were nothing but supportive and would almost say to them, "Tell me what I can do for you," rather than, "Let me tell you what you're going to do for me."

Q: Let's talk a little bit about the Egyptian dimension of what you're about. What's your perception of what you could do or couldn't do and how you related to the Egyptians, what were the development possibilities?

CYLKE: You could do projects, particularly capital projects. They had desperate needs. We transformed the telephone system. We transformed these other systems. It was a physical problem. You built a sewer system.

Q: Did they work?

CYLKE: Yes, they worked. I mean, the telephone system worked. I think most people would say that. I think it worked pretty well.

Q: The institutional dimensions of it?

CYLKE: They weren't much. We built them. I mean, big construction companies. Bechtel was your classic company, came in and built \$400 million situations.

Q: And then running them.

CYLKE: With some institutional training. No, we built systems. The Egyptians more or less knew how to run a water system. If we tried to introduce modern concepts of pricing and all of that kind- But that wasn't on because that's a policy issue. Pricing was not going to change. Policy was not on the agenda, period. No matter how hard we tried, no matter how hard we were lectured, in India it was more direct. The Indians would actually say to you, "If you're here to talk about policy, you might as well go home because it's not on the table for discussion." The Egyptians would engage you in endless hours of discussion but had no intention of changing the price of bread or the price of power or the price of anything. But they weren't quite as blatant. They went through the dance with us, but to no end. I think that's true today, from everything I can read of Egypt. There was no development wave sweeping through-

Q: But you had no leverage to force it because you couldn't threaten to-

CYLKE: I don't think, even if you threatened to take money out- I don't believe much in leverage myself anyway. I have to jump to India for a minute, but dollars are- A hundred million dollar program when it got to India was a very big AID program. It was the equivalent of the taxes they collected on cigarettes and matches. It depends on which end of the periscope you look through. There was nothing in the political relationship that would convince an Indian that they would give up an ounce of their sovereignty over this stuff, as important as the money was. I'm not saying it was unimportant, it wasn't enough ever in their consciousness to impinge on their sovereignty. I think, similarly, with the Egyptians. I don't know that I've ever served in a country where-

Q: Without these so-called "policy changes," how could these institutions survive?

CYLKE: Through printing money, through a society where income did not advance, a very rigid society where upper Egypt was upper Egypt and Cairo was Cairo. Cairo was a different country from the rest of the place. Fundamentalist kind of pressure. I've been in meeting after meeting where the game was played on energy pricing.

I'll tell you a nice story. Joe Wheeler came in. He was deputy administrator. We were going to go see Sadat. Joe was consumed with family planning. We had a meeting with the Ambassador. The Ambassador said, "This is how it's going to go." He described every movement and every word that eventually did come out of Sadat's mouth, in exquisite detail. Where he would sit, how it would be handled. Then we went to Don's house. Don and Joe were up until three o'clock in the morning describing this sentence they were going to deliver to Sadat that was going to change his vision of family planning if they could only get through to him. So, we go. It was down on the canal. Sadat came down the lawn, just as the Ambassador had described, and sat down and described the crossing of the canal during one of the wars. And you're mesmerized. You're totally taken away by Sadat. There comes this moment when Joe looks at Don and says, "Now" and Don says, "Yes, now." He delivered his sentence on family planning. Sadat looked at him and said, "My God. Talk about family planning? That's all my wife ever talks about. I'd like to talk about something else." So, we went away and we came out afterwards. We said to Joe, "What do you think of that, Joe?" Joe said, "You have to hit them once. You have to hit them twice. You have to hit them over and over again," which was probably true.

Egypt was a place where you're dealing with 3,000 years of history. You have to hit an awful long time. After all, they lost tourism. It went down a billion dollars with some of the disasters that went there. I don't think they were driven by the fact that we were in a political stalemate. I think that wasn't- They held the political dollars. Frankly, I don't know if we would have gone home anyway. AID would love to say that we would go home because the politicians are keeping us there, but we would have gone home out of development principle. I would argue that the World Bank and AID also have a bureaucratic imperative to stay in these countries to do their business. AID I'm not at all convinced would have picked up its marbles and gone. It might have redistributed the money a little bit.

Q: Were you having any impact on development?

CYLKE: I can't think of a country that was ever left where we gave up on the thought that, if we hit them twice, we hit them twice, we wouldn't eventually get there. It became easy in Egypt to say that we only stayed there because of the political. But name me the place where we didn't have a political pressure that we walked away from. Come on, we're still in Tanzania.

Q: There was that optimism that maybe if we just kept on a little longer-

CYLKE: Absolutely. I think it's part of our nature to be optimistic. Development is optimistic because it's a forward-looking science or art. It's forward-looking, optimistic to be better. But there's also a bureaucratic imperative in it, too.

Q: Did you have any developmental impact? What were the sectors that seemed to be most the significant work of the mission?

CYLKE: We sort of groped infrastructure. I have to believe that, in fact, infrastructure, just as in projects. Telecommunications does improve business. So I have to assume that that was happening. I am told by people working there now that the work that we did in irrigation, which was technology policy in a certain sense, I wouldn't call it "pricing policy," but technology

policy - water releases and these kinds of issues - has been fairly effective. I haven't followed Egypt enough, but I think in terms of Egypt making a commitment to understand what it had to do to create jobs, to do something about the terms of trade between the rural sector and the urban sector- After all, you had to keep those urban masses eating and eating cheaply. I've been to dinner parties where the standard policy trick was to go out and buy as much bread on the local market as the local bread would cost in the United States. The table would be overwhelmed with bread. Articles on feeding chickens with the bread. But you had the political dynamic that, in fact, bread was like buying boats in many other countries. In fact, the day the Egyptian government didn't provide free bread, people would wonder whether you had a government that was worth a damn, and whether it was worth supporting, or being afraid of, or having anything else to do with.

So, did we have a development impact? I'd rather leave that to somebody who really evaluated the program. We built things. The lives of some people changed in direct relationship to our dollars. (Inaudible) a leveraged, forward-looking sense did the development (tape not on for a moment)- Catch a wave of democracy, of liberal economics or anything else? I doubt it.

Q: Were there any programs that you thought were particularly innovative?

CYLKE: No. Innovative? No. It was impossible to be innovative. I mean, you dealt with the Ministry of Industry. I went back to Egypt several years later on a mission when I was in FBA. We were in the Ministry of Industry and a guy leaned over to me and said, "This looks like the Politburo from Bulgaria." It was a stuck status society of the Middle Eastern variety. There were certain precepts of things that happened. Bread was free. Power was free. Projects got dealt and your friends got a portion of the deal.

Q: Were there any rural development schemes or any programs that we were dealing with?

CYLKE: I think people would say that, basically, there were services. In direct relationship to the dollar that we invested, an irrigation canal got built or a canal got cleaned out. Did we change the system by which those things would be developed afterwards? No, I don't think so. I think the Egypt program did a remarkable lot of very good things. We financed good things. To the extent that's development, we did development.

Q: Did people benefit from it?

CYLKE: Oh, sure, I think there's lots of evaluation that would show you that. I think it's remarkable, we spent \$13 billion in that country, with relatively scandal free. People pick up on a housing project or something, which is an example, by the way, of optimism. I looked back- It was on "60 Minutes" on that project. I was part of that. I had to sit here and explain to my son how I could have been part of that. I can remember sitting with Don Brown and we had an eager housing officer saying, "We'll give you another six months, George." There's something that can be done with that. It was a rum project. It was hard in AID, I think, to give up on a project. There were certain bureaucratic pressures not to do it, but it was also not in our nature not to give up on a project. I don't want to be down on Egypt, but we never did a program assessment. We never did an overall program assessment. We were busy doing projects.

Q: Let's talk about PL480 a little bit and focus on the Title II program.

CYLKE: The Title II program was largely Catholic Relief Services and it was largely directed to this program called "Basic Village Services Program," which was a program which put money into villages for self-determination. You know, there really wasn't anything that would resemble what we'd call a town or city government. The towns were administered by the executive branch of government, rather than by a local popular representation. Since three-fourths of the country was Cairo, after all, there wasn't much attention to the villages. But there were funds made available so that villages could begin to have some kind of participation. It funded rural water supplies, rural school construction, and those kinds of programs. As I said the last time, the basic village service program was successful in putting up the infrastructure. The year I was there, it certainly, I don't think, had much to do in terms of affecting participation in democracy. But it was a way to dispense funds in a way that just wasn't the- Such a large proportion of the funds was directed to large infrastructure projects: Cairo water, major power projects, major cement factories, major infrastructure. It was one way to filter down resources to a real level. The thing was launched with Title II resources and it then became the model for what I mentioned the last time, the Neighborhood Urban Services program, which was a similar program directed to the neighborhoods of Cairo. Again, I don't think there was any kind of-

Q: Was there Food for Work?

CYLKE: Yes, there were clearly Food for Work programs. As I was just saying to you earlier, I'm really embarrassed about the PL480 side because here I was, I was the deputy assistant administrator for food aid and I didn't spend a heck of a lot of time on PL480.

Q: You were concentrating on other programs?

CYLKE: Clearly. I'm sitting here reading this book on Egypt and the politics of U.S. economic aid by Marvin Weinbaum. Even looking over these pages on PL480 just doesn't bring forcefully back to me any memory. However, Haven, you asked me about the policy dialogue and the two major issues on the dialogue. That was a formal term we used in those days. It was almost part of your program. You had to explain your projects and what you were doing on the dialogue. Peter McPherson, I think, that was about number one on his agenda. The two major issues that we addressed in those years were utility pricing and particularly energy pricing, but also telecommunications pricing and the pricing of bread. They were both political imperatives. I've talked to people as recently as last week who told me they were still working out a policy dialogue related to pricing in Egypt. But we did a heck of a lot of economic studies. Our economists were engaged. There was a lot of analytic work. There was certainly open discussion. I sat in on lots of the discussions myself. We had some of the best economists from the United States, but there was virtually no political movement.

I would contrast that with what I understood to be the case of India in the 60s under Lyndon Johnson, where in return for the PL480, Lyndon Johnson himself was calling down the PL480 shipments according to John Lewis (USAID/India mission director). John Lewis had come from the Council of Economic Advisors. In India in my time, in '83 to '87, the conversation would

start out with, "If you're going to talk about policy, it's not on the table." They wouldn't even discuss it with you. We were not a major resource transfer position. In Egypt, it was always on the table, but it was a bit of a dance, I always felt, that we went through. This was probably unfair, but I think Don would agree it was part of the accepted protocol of the relationship, that we would carry on this dialogue. There were probably incremental, small things done, but any decision on that was to be taken by the president himself.

Q: What other areas did you find satisfying to work on?

CYLKE: I can't recall. Well, no, in energy pricing, absolutely not and in food pricing, absolutely not. There may have been some marginal things at the margin. But in terms of any fundamental breakthrough on that- On the energy pricing, I sat in on a lot of it. I can remember, the Egyptians would actually joke about it. I can recall being in a room with Don Brown and Bahza, who was the Minister or the director of the electricity corporation. Don was carrying out a vociferous and intelligent debate with the guy on energy pricing. In the middle of it, a message was brought in to the Minister. In a joking way, although Don didn't recognize it as a joke right away, he said, "I just had a message from Washington. We are holding up as a condition on some major investment. I just had a message from Washington that the President has approved whatever project it was we were holding back." Everyone laughed. In a very subtle, joking, non-formal way, it took the dialogue right off the table. But there was a hell of a lot of work that went on.

Q: How do you interpret the Egyptian view of the price issues?

CYLKE: I think the political legitimacy of a non-elected government was rooted in providing the basics of- If government existed for any reason whatsoever, if there was any rationale for the existence of government, it was to provide very basic commodity support to its population. That included energy and food. The political legitimacy of the regime just wasn't what I would call- I think I'm correctly interpreting my perception, which was that it was more than just a political, electoral problem. The legitimacy of the regime was actually enhanced with the provision of these kinds of services. It was not an elected regime. There was no popular support for the regime. So, its *raison d'être* had to be found in something. I think it was found in- Those were the two core areas of provisional services.

Q: Did you have other interests to address?

CYLKE: On the AID mission on their side, we had major commissions. There was major investment. I can't recall how much, but I think the economics division of the mission, which was after all, in my time, I think, continuing today, like a small department of economics in a university, really outstanding people. And lots of people on contract. I think there was a tremendous amount of analytic work going on, engaging some Egyptian economists, both at the university level and within the ministries. I think it's fair to say that at that time, there was zero progress in anything that would resemble a policy dialogue. I was going to say that perhaps there was some progress on the internal management of utility operations, but in fact I think there was almost no progress there.

I can remember distinctly something on that. If you'll recall, in the old days, we had two-step

loans. We provided concessional financing to the government, which was then to on lend the loan to participating utility at something more approximating a commercial rate. That was to move the utility into a pricing regime. We signed two-step loans. I can remember distinctly the day that Ernie Wilson, who was our controller, had been down in the Ministry of Finance, going through the books. He came in and told Don that he had something private which he had to really discuss. He closed the door and he said, "There were no on-lending agreements." So I would have to say, on the management side, that we had management contracts in telecommunications and in water, which gave some advice on staffing and organization and management.

Part of the pressure for pricing reform would be, in fact- Remember, we talked earlier about the autonomous Mogadishu Water Authority, where the same issue came up in Somalia. For different reasons, they didn't want to put it on a cost basis because they used it as a tax base. I think the Egyptians were using it as a political base. If your utility wasn't taking resources in at a commercial rate with any obligation to repay those, those bills were all just being met by the budget of the government of Egypt. There was no separate accounting.

Q: Was there any pressure on you from the Embassy not to push too hard?

CYLKE: No, I never felt any. I think the Ambassador there was absolutely supportive but realistic and- You asked the last time, "Was the tour on the table that we could not provide assistance?" No, that tour wasn't on the table. We could have, I suppose, provided assistance through another sector. Whether that would have been important or not, I can't remember whether that issue was ever really discussed. We could have taken money out of the energy sector and put it somewhere else. Although it didn't happen, I would have assumed that there were also important commercial interests in our program. Westinghouse was very interested in our program. General Electric was very interested in the program. I can't say that they ever brought themselves to bear in a way that we were frightened of Westinghouse or General Electric, but they were absolutely visible in the political landscape.

I would like to come back to that question that you asked, about security assistance and was it something different and did we give something up by having security assistance that we didn't have in another country? You spent more time in countries that didn't have that same political kind of leverage. I think that at a macro level, maybe there was that kind of pressure in Egypt. But I don't know an Ambassador who, from a more bureaucratic point of view, wasn't also sensitive to the political relationship. In other words, in Egypt, you had a strategic relationship which went beyond the Ambassador. But very often, the State Department, in its bureaucratic posture, also had an interest in not rocking the boat. To me, the whole premise of the AID program over that 30 year period - and this was my perception, which may be wrong - was that, in fact, most of the votes on the Hill came because of the strategic posture of the United States worldwide. We didn't have a strategic interest in Tanzania, but we had a strategic interest in development assistance and in AID generally. We had a special allocation for security assistance. My sense was that, at least in Egypt - not to say Turkey or some other place - the only difference between the structure of the program in Egypt and other places, in addition to its size, was the fact that its level was guaranteed. I think the quality of our mission was every bit as high-quality as every other mission I've ever served in. I think the quality of the analysis, the commitment to development purposes on the part of the AID staff, I never discerned any difference. In fact, I

would have to say, because we were such a large mission and so well-staffed, it was probably the best mission I ever served in, in terms of the quality of technical staff and their commitment to development objectives. I think the security assistance aspect assured us of our level, but I don't think brought to bear as sensitivity on issues. That was partly because the Egyptians chose to ignore the issues, I suppose. So there was never a shooting match. I don't know if that's a very satisfactory or sophisticated answer.

Q: but what about the massive subsidies? Did they have some impact on the issue of inflation?

CYLKE: We said the last time that there were four major sources of foreign exchange flowing into that country, roughly comparable: tourist revenues, the Suez Canal, remittances, and USAID. As I recall, they were about a billion dollars each. In many countries, I think those would be considered to be the foreign exchange resources of the government. I think in Egypt, they were almost the budgetary resources. We had a very different posture than lots of other kinds of places. So, sure, in terms of- I would say that more serious than even inflation was just the- Undercut rather than underwrote any pressure that the government really had to move itself into a different program. I haven't been in Egypt in so long, but there were lots of countries like Egypt, which I think were largely internal economics, largely unconnected to the global economy. I'll mention that when we get to India. But clearly, Egypt was one of those countries. Its industrial center was largely still dominated by public sector industry from the nationalization. You didn't really have important private sector industry. Privatization was a program that AID supported fulsomely and really started after 1983. I wouldn't know when, but it was after my time there. In fact, lots of the public sector companies that we dealt with were subsequently privatized, a tire company that I did a lot of work with. They were all public sector countries when I was there, whatever that meant.

Q: What about private sector initiatives in Egypt?

CYLKE: AID sponsored privatization afterwards. But when we were there, they were all public sector companies. The interesting thing was, an awful lot of them were being managed by the families of people who had originally owned those companies, as a matter of fact. They're still families business in effect.

Q: One of the points that has been made about the bureau at that time and the relationship, particularly with Egypt, with the others, was that it was a very much centralized command in the sense that AID people didn't have much independence from the Washington group.

CYLKE: Compared to the mission?

Q: Yes, the Bureau called the shots and, in many ways, there was a very strong central control?

CYLKE: Okay, I might disagree with that. The culture of the bureau at that time was dominated by four people. We talked about that the last time. I don't think they really dominated the agenda of the mission or interfered in Don's daily work. Don Brown during my four years was the director of the mission. However, if you go back to an earlier conversation we had, that bureau was really dominated by people who came out of the capital projects background. So, I would

say, the configuration of the portfolio probably was very heavily dominated by a Washington view about the role of capital projects in the portfolio. Non-project lending wasn't something we were allowed to talk about. Indeed, I'll even go beyond that and say I can recall that I thought that there was a control issue and that was that, if you're funding- We had a capital development office of maybe 15 people. We were funding engineering design contracts that were 475 million. Never mind the projects, which were also state of the art technologies. There were staffing limitations on the AID mission in Cairo. It reached the point where the question was at least raised: Did we have the technical capacity, in fact, to support the capital project portfolio? Did we have adequate staff to review the bids and specifications either in numbers or in talent? The specifications for a capital project for Cairo water could fill half this room with the plans, the designs, and specifications. The AID rules assumed that you reviewed those with care and they were approved through lawyers, etc. It was argued by some that they weren't getting the kind of review they should get. To meet the control aspirations of the Agency, we probably needed a significantly larger staff, I would recall - and I think that part of the value of oral histories is that different people will see it from different perspectives - was that, in fact, there was a commitment to continue capital project financing and you will not talk about your staff difficulty in doing that, but you will persist with that kind of program.

Part of the commodity import programs were where would you put the money? We didn't want to flow it back into public sector industry. We pushed a private sector CIP program against government interest. We pushed it like fury. But there was a very limited audience for that program and you ended up subsidizing the very few emerging new private sector businessmen. There weren't lots of obvious non-government budgetary kind of support programs. If you didn't have a viable dialogue program going, it wasn't necessarily a better choice. So, I don't know that that really presented itself as an option.

I'll say this though: this issue I'll raise again in India from a different point of view. If I can jump ahead for a moment and go back to that same bureau. We were funding a lot of irrigation projects in India. I wouldn't call them "capital projects" in the same sense as Egypt. They were irrigation programs. Lots of money. I think our level was \$130 million a year when I got there. My sense was that it was straight budget support. In fact, in India, there were really more public works programs than capital projects. They were building those damn dams for 30 year periods. My argument was that, if you really wanted to have an impact on irrigation, if that's what we wanted to do, then what we did was move to sector lending and try to affect the configuration of the rules and regulations through which budgetary resources flowed out to those programs. The same thing in health. Actually, we got a health program through finally. But, since that wasn't a traditional capital projects area, I think I got it through and we wanted specifications like "kids at a certain age will be vaccinated," etc., etc. Our argument was that, if you could use a \$30 million loan to negotiate the configuration of the faucet, it had a big impact.

(Inaudible) in the capital projects area of irrigation was turned down flat by Washington. Same bureau, same people. (Inaudible) will stay in the capital projects business. We took that issue on straight on. The team that came out were some longtime colleagues of mine from the capital projects area, who essentially came to deliver the message that that wasn't on.

Q: Do you have an understanding of why they thought that?

CYLKE: The capital projects were a valuable way in which to get at issues. That was a mantra, I think.

Q: Anything else at this point on Egypt?

CYLKE: No, I do want to underscore again that I think that you can say you were never at war with the Embassy because we never took on an issue very hardly. I think the Ambassador went on population issues. The Ambassador went to Sadat on population issues. I went with him. I mentioned that story the last time. The economic counselor, I was in his house with the bread flowing over his table. So, I think the sense that the Egypt program was a political program in my own mind and from my perspective, guaranteed our level. It precluded (inaudible) the option of withdrawing funds, but I don't know that that would have been viable in many countries around the world. So, it gave us a disproportionate level and perhaps more resources than the situation truly warranted. In that sense, there was political influence. But in terms of our daily operation, the concern of the Embassy for the same kinds of issues that we had, I don't sense that. The only political pressures I remember in those days was a sense by the Embassy that we weren't doing enough things that really touched the lives of people and that people were grumbling about the capacity of government to respond. That led to things like neighborhood services. There was a definite political bias on that side, on the Embassy.

Q: In the general sense, Egypt at that time was essentially dependent on the United States. What would have been the consequence if we had withdrawn our aid?

CYLKE: No, and there's a good example, I think. I think we were important politically. But if you took my \$4 billion term, during that time, one of those - and I can't recall now whether it was tourism or remittances, but one of those just vanished. I think it may have been tourism. But one of those two things almost vanished during that period. It went from the \$4 billion to the \$3 billion. I think, if they had gone from \$3 billion to \$2 billion. So were they dependent on us? We were an important source of resources. But it seems to me, Egypt was going to be Egypt whether it had \$4 billion in foreign remittances or it didn't. The telecommunications wouldn't have gotten built. The water supply wouldn't have gotten built. Would that have put pressure on the Egyptian government to do something for the population? I think it's hard to guess. Would they have diverted resources from someplace else? We were not unimportant. We were 25% of foreign exchange earnings. I go on to say that. So, you could say that by definition, you're therefore aid dependent on the United States. True. But my hunch is that the Mubarak-Sadat government would have persisted. Egypt would still be there, albeit without a telecommunications system.

Q: Apart from the political consequences, the economic consequences may not have been that devastating if we had withdrawn?

CYLKE: It's a hard question because, if you assume that a billion dollars went into useful infrastructure projects which became part of the infrastructure of the country, on the basis of which jobs were created and wealth was created, you can't call it insignificant or unimportant. But I think Egypt has a high tolerance for changes in income levels. It has a high political tolerance for reductions in income level. It had been capped for so many years and, without a

dynamic private sector, people's expectations were- It was not a rising tide of- It was a pretty controlled kind of place. So I don't want to say it was unimportant, but I don't know that the place would have collapsed without it. It wouldn't have moved as forward on the infrastructure side as it did. They wouldn't have had as many schools.

Q: What about all the infrastructure we did build? Did we have a responsibility to help sustain those once the infrastructure was in place? Did we have to provide continuing resources?

CYLKE: We didn't provide budget support.

Q: How were they able to maintain the infrastructure?

CYLKE: Sure, there was no technical maintenance- I mean, the Egyptians are a highly technical kind of engineering-oriented society, as a matter of fact. They're very engineering-oriented people. I don't think there was ever any question about their technical competence. They were capital short. We met that. And they did not have a pricing regime that required the utility to go out and do anything about its pricing or anything. In fact, its operating budgets were met by budgetary subventions and were met by the government for the very same reasons that they encouraged us to build the darn things. I mean, it wasn't just to get us to build it. They wanted power going to their people, so they put adequate resources to maintain the operations of those things.

Q: So, the sustainability of the infrastructure that we had built was not a real problem?

CYLKE: The sustainability of the infrastructure wasn't an issue, but obviously it meant resources were diverted from another part of the public budget. Where those places were, I think you saw - in terms of health services to the poor and things like that. So, overall sustainability is eaten away by it, but not the sustainability of the very activities that we were directed to.

ROBERT S. DILLON
Deputy Chief of Mission
Cairo (1980-1981)

Ambassador Robert S. Dillon was born in Illinois in 1929. He received an A.B. degree from Duke University in 1951. He joined the State Department in 1956, where his career included posts in Venezuela, Turkey, Malaysia, Egypt, and Lebanon. After leaving the Foreign Service, he became the Deputy Commissioner General of the United Nations Relief and Works Agency, a position he held from 1984 to 1988. Ambassador Dillon was interviewed by Charles Stuart Kennedy in 1990.

Q: Now let me move to your next assignment which took place in 1980 when you were appointed as the Deputy Chief of Mission (DCM) in Cairo. How did that come about?

DILLON: While in Turkey, I became intrigued by the idea of serving in the Arab world. We used to vacation in Beirut, had driven through Jordan and had visited Syria a couple of times. I was supposed to stay in Ankara for four years, but in the summer of 1980, after three years on that tour and a total ten years in Turkey, I felt that if an opportunity for change came along, I should take it. I went to Berlin for a conference on drugs. Roy Atherton, then our Ambassador in Cairo, was present. He was one of our most respected envoys. In true Foreign service fashion, I let it be known that I would be available for reassignment in the summer of 1980. Very shortly thereafter, I got a telephone call saying that the DCM in Cairo would be leaving and that Roy would like me as the replacement. I was flattered. Cairo was then, and may still be, the largest Embassy in the world. So the idea really appealed to me. It was made clear to me that I was not offered the position because of my great knowledge of either Egypt or the Arab world, but that Roy needed help in trying to run the Embassy which had a large AID mission and a growing Military Assistance staff. He didn't need any help on the substantive side. I liked the idea. I think I had become somewhat of a manager in Turkey, although there I also considered myself knowledgeable of the substance since I had devoted so many years to Turkish affairs. I suggested to Roy that he touch base with Jim Spain (who had replaced Spiers as Ambassador), who was kind enough to act disappointed, but said that he understood. Fortunately, I had a replacement in mind, which is always very useful if you are trying to make an exit from an assignment. I knew that Dick Boehm, who was then the DCM in Nepal, was ready to move on. Dick is a truly outstanding officer who had been the pol-mil officer in Ankara at one time and was therefore familiar with Turkey. Spain liked the idea, so everything worked out well. Jim and I have remained very close friends. Roy invited me to come to Cairo to look the situation over and to talk to him, which I did. I had never been in Egypt, but was intrigued with spending some time there. During that trip, I had an opportunity to talk to Freeman Matthews, who was then the DCM. I got an idea of what the job entailed. So a direct transfer was arranged, which was accompanied by a week's consultation in Washington. Some of my friends told me that in career terms I was making a mistake taking a third tour as DCM. I had been a DCM at a very large mission and I should have sat tight awaiting an Ambassadorial appointment. Like all Foreign Service officers, I always wanted to be an Ambassador, but I was really not hungering for it at that time. At this point of my career, I thought that eventually I would be offered a post of my own. I couldn't think of any way of hastening it. It did occur to me that my friends might have been right. On the other hand, ten years of Greeks, Turks and Cypriots, was enough. One gets burned out after a while; it is very hard to be patient, but a Foreign Service officer must be that. I thought that one more conversation with a Greek or a Turk explaining the sins of the other might have driven me over the edge.

Cairo is Cairo. It is a mess. It is a difficult city to live in, but it is one of the most interesting cities in the world. There is a certain Egyptian style with which one becomes readily acquainted. They have a famous sense of humor. They can poke fun at themselves, which is not common in the Arab world or the eastern Mediterranean. The Egyptians have a self-deprecating sense of humor, which is very appealing to Americans.

I went to Cairo on direct transfer, as I said. Roy and I had never discussed tenure, but I assumed that I was going for a long term. The DCM had a very nice house in Cairo, which had a history. It was owned by the Department of Agriculture, which had obtained it when a lot of local currency had been generated through the sale of American agricultural surpluses. The

Department used these revenues to buy up real estate. So this house was out in Maadi, and had been used by the head of our "Interest" section, which was part of the Swiss Embassy when we did not have diplomatic relations with the Egyptians. It was nice to have a comfortable and attractive place to live. There had been some attempts made by the Department of Agriculture for the return of the house, which claimed that it had been essentially stolen from them by State Department. There was a school nearby which was used by the child who was still with us -- the other four had gone off to college or beyond. My wife got a job teaching at the school.

My inclination in situations like this is to assume that I would be in the job for a long time. My tendency therefore was to hold off on things a visitor to a place like Egypt might have done and to concentrate very much on business at hand. Fortunately, my wife was smarter and had learned that life takes sharp turns sometimes. She insisted that we do all the things that tourists do and so we traveled up the Nile, to the Pyramids and other sightseeing tours. On Fridays particularly, which were holidays in Egypt as they are in all Muslim countries, we would walk in the old parts of Cairo. The weekend in Cairo consisted of Friday and Sunday. We used Ambassador Dick Parker's book, which I recommend highly, about walking tours through old Cairo.

President Sadat was still alive. Soon after my arrival, Roy took me to meet him. Roy was very good and assiduous in getting me to meet the senior officials of the Egyptian government, so that when he was gone, people would know who I was. Mubarak, then the Vice President and now President, and a couple of his staff members were people to whom I had ready access. That was very useful. There was a group there headed by Sol Linowitz pursuing autonomy talks, following the Camp David agreements. He was assisted by Jim Leonard and Wat Cluverius. This group was in and out of Egypt; it had apartments in town, but it shuttled back and forth. I was interested enough to watch and learn. I enjoyed talking to Jim and Wat. I was under the impression that Linowitz was very good, but he was not the kind of guy who would sit down and gossip. So I got a little bit of an education in Arab-Israel relationships. I was almost overcome with admiration for people who could patiently and intelligently and imaginatively continue to try to cope with these problems; I would have lost patience a long time ago. In the United States and perhaps other parts of the world, we believed that Sadat was a great man -- imaginative, bold and who had cut through the underbrush to make a direct appeal to the Israelis. He was smart enough to see that you had to do something about Israeli fears. That was a very difficult point of the Arabs to accept. To Arabs, Israelis appear so overwhelmingly powerful -- a regional power with nuclear weapons and American arms with the support of the United States. So when you say to the Arabs that you have to talk to the Israelis to assuage their fears, they find that very hard to understand. Sadat understood and tried to assuage the Israeli fears. I was soon struck, however, that the Israeli lesson was not that Sadat was a great man, but that if you hit the Arabs long and hard enough, they would eventually cave in. The ideas that they put forward in enormous detail and which they kept pushing in the autonomy talks were really not addressing "autonomy" in the normal definition of the word. There was no autonomy for land, no autonomy for water resources. There was autonomy for people; in essence this really meant the privilege for the Palestinians of being second or third class citizens in lands controlled by other people. They could pick up the garbage, which they were already doing, but nothing beyond that. I found this interesting. I confess I was affected by it. It was very clear to me that this was the attitude the Israelis took; they did not reciprocate Sadat's gesture.

Q: You had come from a different background of the so-called "Arabists". There is a school of thought which insists that the "Arabists" take the Arab view only and that they don't understand American internal or other interests. What was your impression?

DILLON: I think that was absolutely false. I did get to know many of the "Arabists". Overall, they were an unusually talented and dedicated group. I can think of two or three who over years or perhaps from the beginning became very anti-Jewish. I can think of one guy -- bright, capable -- who would say things that frankly embarrassed me. Whether that was the result of his exasperation of having dealt with the Israelis for so many years or whether he was born and bred anti-semitic, I don't know. But in general, I thought the "Arabists" were an unusually talented bunch. I thought that they were totally dedicated to American interests. Roy Atherton himself was not an "Arabist" in the sense that he did not speak Arabic, but he had been involved in Middle East affairs for many years. You couldn't find a smarter, a more fair minded or open person. He was very, very good. Roy was driven by a view of American interests and by a view for a certain need for justice. The "Arabists" in general, who were in and out of Cairo all the time for one reason or another, I think were very good. I absolutely reject the idea that they had sold out to the Arabs. In fact, the thing that is clear is that when you are in the middle of it, the "Arabists" like everybody else are affected by the absolute necessity of bending over backwards to find virtues that may or may not exist in the Israelis in an effort to display balance. The tendency, it seemed to me, was for many of them to apologize for the Israelis. Nobody in Washington would thank you for picking a fight with the Israelis. It seemed to me that many of these people had been banged on the head so many times that, although certainly not intimidated, they did not look for disputes and confrontations with the Israelis. They were more frequently involved in disputes and confrontations with the Arab states they had to deal with. I think that the view that has been put forward of the "Arabists" is entirely false. I think that there were some exceptions to my statement, but the successful "Arabists" who got to the top and became senior officers -- Ambassadors and so forth -- almost by definition were people who were balanced because you couldn't make it unless you were that way. The two or three people I am speaking of who went far too far the other way never got to the senior ranks. I thought the "Arabists" were good. At the time, I thought that if I were starting all over again, I would have liked to be an "Arabist" even though I never regretted the Turkish specialization.

A lot of my time was spent looking after internal Embassy matters. That was my main responsibility. Of course, when Roy was gone, I had access to the government. I didn't get into analysis, reporting or anything like that on internal Egyptian issues even though that was the subject matter that had intrigued me in Turkey. I read with interest the kinds of things our people were producing. By making contacts -- the old Foreign Service game -- I found a small way to contribute raw material to what the Embassy was doing, but more frequently my contacts with the Egyptian government were on some kind of business where either as DCM or Charge', I would be going in with very specific instruction from Washington to do or say this or that. A lot of the problems were quite operational in nature. Interestingly, it was Mubarak that I dealt with whether Sadat was in the country or not. Obviously, Mubarek had that portfolio. I am not suggesting that the DCM at the American Embassy is on the same level as the Vice President of a country. It was just that Mubarak and his own small office were the people who were available. The Foreign Ministry was not effective. For example, if I got an instruction in the middle of the night, as sometimes happens, that I would have to reach immediately the highest possible level

of government -- usually because we had promised to consult the government before taking some action -- there wasn't even a duty officer at the Egyptian Foreign Ministry. The one place you could find somebody was in Mubarak's office -- frequently it was Mubarak himself. So obviously the criticism that Mubarak is too much a "meat and potato" guy, who lacks some of the breadth and imagination of Sadat, may be right. But my observation of Mubarak was that he was good. You could get to him; he was a serious person. If he said he would do something, he would deliver. He was one of the few people in the Middle East whom I have ever observed taking a note. When I sat with Mubarak, I would almost always have a telegram from the Department in front of me and I would say; "Here is what the U.S. government has to say about this. It would like your views -- or it would like you to do the following". Mubarak would sit there, take a notebook and pen and would jot down something. If he said that he would undertake to do something, he would do it. I suppose other people have had similar experiences with Mubarak.

I had quite a good view of Mubarak, from a professional diplomatic point. I am glad to have a chance to record that. Sadat also seemed to me to be of very high quality. He would go to the Egyptian Parliament and make interminably long speeches. On a couple of occasions, at Roy's suggestion, I attended the sessions, although I could not understand the speeches. But I think Roy felt that my attendance would give me some flavor of Egypt that I would not get anywhere else. I remember sitting in that Parliament with another American Embassy officer who would occasionally whisper in my ear to let me know what was being said. Sadat would deliver interesting and colorful speeches, with the apparent full attention of his audience. Sadat was also superb at handling visitors. He was a very charming man with a beautiful and charming wife. I had met her in Malaysia when she visited that country as a representative of her government. Sue and I had chatted with her and were struck by her graciousness.

Shortly after I arrived in Cairo, Roy took off for a few days and I became Charge'. He had already taken me to Alexandria to meet Sadat. So I had met him and had been duly impressed by his personality. A group of Americans from Minnesota arrived in Cairo -- two or three Congressmen and two or three Agra-business men (all important citizens of Minnesota). One had been a defensive back for the Minnesota Vikings. He told me that his knees were not functioning well because he had spent fifteen years running backwards. We had asked for an appointment for the group to see Sadat. Sadat was very gracious about requests of this kind; he understood that one of the things he had to do, as a leader of Egypt and the Arab world, was to communicate and indeed cultivate influential Americans. He was never impatient when these groups of Americans wanted to see him; he was always a gracious host. So I took the group across the Nile to Giza, where Sadat had a villa which he used frequently to receive visitors. It was not a grand house, but a pleasant, Arab style setting. Sadat received the group, not surrounded by aides; he may have had one assistant with him. The visitors were introduced to him; he started to chat with them in a very informal manner. You could immediately see that the visitors took a liking to him. Suddenly, there appeared in the doorway a beautiful woman with a baby in her arms. This was Jihan Sadat with one of his grandchildren. She swept in and said: "Oh, Anwar, I didn't know you had company". Sadat turned to her and said: "Jihan, my dear, I would like you to meet some friends of mine". With that comment, he got the Minnesota vote! Everybody there absolutely melted, completely charmed by this family scene. It was very, very effective. We then had a brief conversation and left to return to Cairo.

I realized, of course, that the staging was contrived. After Roy returned a few days later, I briefed him on the visit. I mentioned the Americans' reaction. Roy said: "Oh, yes, it is the old "babe in arms" routine! He is very good at it". The fact is that Sadat and family were good at staging these "impromptu" scenes. They worked beautifully. I am not saying all this in a cynical way. Sadat was smart enough to know that given the American view of Arabs, they had to be humanized. There are many ways of doing it, but the domestic scene was part of the play. He and his family played their roles very, very well. I confess telling this story frequently, sometimes as a joke, but in truth, I was impressed by how Sadat understood how to handle people and particularly Americans. I liked and admired his style. I did come to understand, however, why a lot of Egyptians became disenchanted with Sadat. He was awfully distant towards them; the charm seemed reserved for foreigners whom he was trying to influence. He looked to others like Mubarak to run the country. They were doing a credible job, but they faced unbelievable problems then and even still today. There were elements among the religious Muslim extremists who had picked him out as a target. There were Egyptians who believed that Sadat had sold them out to the Israelis. The assertion that Sadat had lost a lot of his popularity with Egyptians is true, but that does not mean that he was heartily disliked or hated by the populous; that was not true. They were disappointed in him; they were cynical about Sadat's charm and style. Some of the demeanor that I described in favorable terms was not viewed with similar approbation by the Egyptians. But he was not viewed by the Egyptians as a tyrant or a bad man in any way; he was seen as someone who had gone too far in cultivating the West, which had not been sufficiently forthcoming in its assistance to Egypt. People also thought that he had not gotten enough out of his deal with Israel. He made people nervous when he talked about things like sharing water with Israel. He was assassinated after I had left Cairo; we were already in Beirut when that happened. Both my wife and I felt great sadness when it did occur. Sadat deserved better. He may not have had been as great a leader as Americans wanted to believe, but he did have elements of greatness in him. He had courage and imagination -- two attributes that are very much lacking in the Middle East. I thought he was head and shoulders above the Israelis he was dealing with. There was no reciprocal imagination. Begin and the people around him were on a totally different level. I once listened to a telephone conversation between Sadat and Begin. It was in English, which was not native to either. The gracious, generous Sadat was trying to do the right thing. Begin was suspicious, closed minded and very ungracious.

Q: As DCM in Cairo, you focused on the management aspects of an Embassy. You had a huge AID mission as part of the Embassy. Did you take a look at this large bureaucracy, either on our own or under Roy's instructions.

DILLON: I did. Roy was concerned about the size of the AID mission. He was concerned about its effectiveness. He had a sense that somehow the whole thing was moving in the wrong direction and needed a thorough review. I probably came on the scene with greater biases about AID than Roy himself had because I had been dealing with that organization for years while working in Turkey or on Turkish affairs. I quickly lost my prejudices. I came to see that technology transfers, which is what AID was pushing, could only come about through sending Egyptians to the U.S. or bringing Americans to Egypt. That same thought applied to our military mission, which was then just being established. When you addressed the question of technology transfer, it didn't do any good to cite the number of people involved or to put a limit on the

number of technicians in country, as a former Ambassador had done. You had to think about what programs you wanted. In a small way, I tried to raise that issue. I left before this small initiative really got off the ground. It seemed to me that we were involved in too many activities. I am, of course, in favor of technology transfer, but we were trying to do more that the Egyptians could absorb. It is true that the Egyptians wanted more than they could reasonably be expected to absorb. To make agreements to certain technology transfers and then turn around and say that we would limit the size of the American staff which was to implement the transfer didn't make any sense. You really had to go back to the fundamental question whether that particular transfer made sense at the time. That was very difficult. The senior levels of the Egyptian government did not think very much about the quality of the services they were receiving or their ability to absorb the new technology. I think the Egyptian leadership had the feeling that it should get all it could get while the getting was good. At the senior levels of the U.S. government, there was a tendency to give the Egyptians as much as we could. We tried, and I think we are still trying, to do too much in Egypt. I say that as someone with considerable sympathy and admiration for the Egyptians and what they are trying to accomplish. Roy understood the dilemma. The trouble is that the U.S. Ambassador, in a situation like this, even though responsible, by the time these issues are raised with him, it is awfully, awfully late. The Egyptians and Americans in Washington had probably been discussing this or that project for many, many months. State Department may or may not have known of the dialogue, but usually the Ambassador doesn't find out about the project until the Mission Director comes to him and asks him for more personnel. In fact, that is too late in the process for an Ambassador to have a real input. Occasionally, Roy would say "No", but it was a very tough call. His predecessor, Hermann Eilts, was very, very tough; as much as I admire Herman, I think he was sometimes wrong in denying entry into Egypt of certain technicians to implement agreements that in fact had already been made. The size and scope of an AID program is not an easy issue for an Ambassador.

Roy did want me to understand the AID mission. He himself did not have the time to do it. Don Brown was the AID Director; he was very good and talented. Owen Cylke was the Deputy Director; he was an extraordinarily talented man. Don was the most senior Director in AID. I got to know them well, particularly Owen. I got to know other AID staffers. They were kind enough to explain to me their individual projects. There were a few boobies among them; but overall that would not be a fair characterization of the mission. I think a fairer evaluation would be that both we and the Egyptians were trying to do too much. The disinclination to say "No" to things that Sadat or Mubarak or other senior officials wanted was very strong in Washington. There was a feeling that we owed them a lot. There was a tacit understanding that the Israelis had not really reciprocated to Sadat's great gesture and that supported the Egyptians' wishes.

I left the job in Cairo after ten months. Whether if I had stayed ten years, I would have really gotten on top of this, I don't know. Certainly the size of the program was a concern to Roy. But to be an Ambassador in Cairo is a very busy job. Roy spent his time dealing with policy issues at the very highest levels; we were still trying to move the autonomy talks forward. We were still trying to solidify relationships with Egypt that were becoming very important. At the time, and I suppose ever since, Egypt was one of those places that attracted the attention of the highest levels of the U.S. government, including President Carter. So the Ambassador was fully occupied with issues of highest national priority. So the DCM is left worrying about the many other things. We were concerned about the establishment of a military mission, which was

headed by a very capable Air Force officer. The reason for that was that the Egyptians were buying or being given F-4Es -- fighter-bombers which at the time were probably the best in the world.

That transfer of F-4E is a good illustration of technology transfers. I went out to Cairo-West which is a large airport in the desert where the F-4Es were to land. Preparations were being made for the first flight. This transfer was very important to Sadat. It was a symbol of the rewards Egypt was getting for its sacrifices and of the partnership that he had forged with the U.S. They were also a symbol of Egypt's modernization. Mubarak was himself an Air Force officer and therefore he also appreciated the significance of the F-4E. A senior Air Force officer and myself and others went to the airport. I went because someone realized that a senior official from the Embassy had better understand in some detail what was happening and why it was happening. In any case, I was interested and I went willingly. When we arrived at the airport, one of the Egyptian Air Force officers took me over to the supply section of the Egyptian Air Force. It was series of Butler huts running along the edge of the airfield. They looked very much like the supply shacks that I remembered from my days as an enlisted man in the U.S. Army many years before. Inside the huts were older Egyptian NCOs; behind along the walls were a series of criss-cross cubby holes filled with spare parts. If a mechanic needed a part for his airplane, he went into one of these huts and made his request to one of the NCOs, who got it from the bins and gave it to him. The transaction was then recorded on a piece of paper. My Air Force escort pointed all of this out, explaining the system to me as we went along. He said that this was a system that had been set up during World War II. He was obviously leading to some conclusion. He asked me: "How many parts do you think a F-4E has?". Having been briefed that it wasn't going to be a few hundred, I guessed that it would be in the thousands. He said: "More than a million. That is why we need a completely new supply system!". He didn't say so outright, but I was certainly given the impression that the U.S. government should not be surprised if it received a major request for computers and other modern technology to keep track of these spare parts. He did it beautifully. It also means a major change in the air control system which was then beyond the capabilities of the Egyptians.

I tell this story because it is a good illustration of one of the problems of technology transfers. The provision of a piece of equipment may be the minor part of the transfer. In fact, you may actually be talking about entirely new systems requiring new equipment, new skills and new mentalities. You may be required to install major changes in an impossible short period of time. You are talking about people: Egyptians to be trained in the United States, Americans coming to Egypt to install systems. All of these issues have to be taken into consideration when the decision is made to make a large transfer of technology. In this case, the F-4E that were flown in were the beginning of a much larger transfer. A group of American pilots were assembled to fly them to Cairo. They were rushed in because Sadat wanted them for Egypt's National Day fly by. Their arrival in Cairo was impressive; they were flown by the same pilots across the Atlantic and Northern Africa. They were refueled two or three times, in the air. I was out at the airport to greet them wondering how they had managed to fly the thousands and thousands of miles and arrive together at an obscure airport in the middle of the Egyptian desert.

A few days later, with Egyptian pilots who had been trained in the United States, these planes participated in a fly by over a reviewing stand outside of Cairo. It was eight months before

another one of those planes ever flew again. That fly by exhausted the Egyptians' capabilities. They somehow got through the ceremony without wrecking a plane. I use this example to illustrate the difficulties involved in any major transfer of technology, civilian or military. There were many very ambitious attempts made to transfer technology from us to the Egyptians. It does take people. It is very difficult to say "No" to the Egyptians in light of the relationships that had been forged between our two countries. We should have said "No". We should have proceeded on a far slower pace. I don't believe that a slower pace would have undermined Sadat; that was always the fear in Washington.

Q: There had been criticism of both the military and AID about over-administering their programs. Did you find that the case in Egypt?

DILLON: What actually happens is that Congress places so many restrictions on the programs, that they become an administrative nightmare. That is particularly true of AID. It has so many restrictions, so many checks that the organization is almost paralyzed. Decisions are very difficult to make, very slow to be made. Each individual procedure has a rationale which in and of itself makes sense. What doesn't make sense is the layer after layer after layer of procedures which are essentially designed, in one way or another, to cover people's backsides. There is plenty wrong with AID; it has suffered repeatedly from weak leadership at the top -- in some administrations, such as Reagan's and Bush's, perhaps worse than others, but in all administrations. AID to be effective will have to be freed from a lot of those restrictions. The people who work for AID will have to be persuaded that they can be decisive and imaginative without jeopardizing careers or going to jail or something like that. My guess is that AID is a case of an Agency, as now constituted, simply has to be dismantled and you have to start all over again. I recognize that you may end up using a lot of people who are already employed by AID. That is OK because a lot of their people are good; it is the organization that is bad.

Q: Did you have any feelings about the reporting from our Embassy in Tel Aviv?

DILLON: I was struck by the extraordinary amount of detail that was being reported about internal Israeli politics. This was partly because it was a fairly open society. Much of the Parliamentary, political maneuvering is readily understandable to Americans. So there was an awful lot of reporting on it. It wasn't so much that it was fulsome; it was more the tone of the reporting which clearly suggested that the reason one had to understand all of these political comings and goings was because those were the reasons that one couldn't do anything with the Israelis. I thought the underlying message of much of the reporting was that "This is the way things are; therefore you can't expect the Israelis to make sacrifices or make compromises. You must, above all, continue courting them, etc.". I don't think it was inaccurate reporting. I do think though that a lot of this crept into the thinking of Americans in Israel. There is reason to believe, however, that those American skeptics, and there were some in the Embassy, were encouraged not to be skeptical about the Israelis. But that can be easily exaggerated. Enough of the skepticism or the slightly cynical view would creep into the reporting that one could notice it. A Foreign Service officer would understand it, particularly as it related to some of the personalities such as Begin. There were clearly strong reservations about these people on the part of some of the Americans that dealt with them. I never saw anything to suggest that our Ambassador in Tel Aviv had strong reservations about Begin. If he did, it would have shown up in a restricted level

of reporting that I didn't see. There was tremendous volume of reporting from Israel. There was a sense that there was more written than you needed to know. As an old Foreign Service officer, who I am sure frequently reported more than was needed, I understand the motivation of the men and women who were doing that reporting. They had been stationed there and told to report. Under those circumstances, you do it. It is partly built into the system. You assign smart, active Foreign Service people to report and by God, they will. They want to demonstrate that they really know what is going on. At the level I am talking about, however, there was no tendency whatsoever to question basic assumptions. That would have to be done at another level. Even after I got to Lebanon, when I saw the highest level of reporting, I never saw basic assumptions being questioned by our people in Tel Aviv.

Q: What was your impression about our policy toward Libya and towards the Egyptian- Libyan relationship?

DILLON: We were hostile to Libya and had identified Qadhafi as a "bad guy". The Egyptians seemed to share that view and yet I was struck by the Egyptians' far more cautious approach. During my time in Cairo, we never urged the Egyptians to go to war against Libya or anything like that. On the other hand, there were some Americans who were intrigued by the idea that the Egyptians might take some forceful actions against the Libyans. Roy was certainly not one of those; he was much more cautious than that. Among the Egyptians -- and I am thinking of people like Mubarak -- there was considerable cynicism about the Libyans. They considered them troublesome and irresponsible; they were sometimes very angry at them for presumed subversive activities in Egypt. Yet, on another level, they were very cautious. Occasionally, they would remind you that they were "brother Arabs" which is something to remember. To the Egyptians, their relationships with Libya had a quality of intra-family. They were also a little worried about us; they were worried that we might do something violent which might in the end be counter-productive. That didn't happen while I was in Egypt. The Egyptians had mixed feelings on Libya. Mubarak and others enjoyed telling American visitors about the sins of other Arabs sometimes in cynical terms, sometimes rather witty. Jordan was one of the targets and we used to be kidded about the "soft spot" we had for Jordan and King Hussein. Mubarak might have been nasty about it, but he enjoyed telling about the "sins" of the Jordanians in rather scornful tones. He used the same approach at times toward the Sudanese and the Libyans and others. Later, however, it became very clear that Mubarak felt he had a duty to make these explanations, but was totally opposed to the idea that anybody should do anything about these idiosyncrasies.

Of course, the Egyptians are both Arabs and people of the Nile Valley. My experience with the Egyptians absolutely confirms that. One minute you are talking to Egyptians and they are the people of a riverine culture that has lasted 5,000 years or thereabouts -- a long, long time. There is a sense of identification which you do not get with other Arab people or with the Turks. There is a sense of place and culture that is very, very strong. I would say that during the period I was there that this was very much dominant. But there are also Egyptian intellectuals who have a sense of Arabism, Arab unity, etc. It was my experience that there was little or no nostalgia for the Nasser days. Some of that may have come later, but in 1980, I honestly believe there was none of that. Nasser and his era had certainly discredited Arabism in the eyes of a lot of Egyptians, but there were still a fair number of Egyptians -- "intellectuals", as they called themselves (university people, professional and others) -- who did have the sense of "Arabism"

and a sense of a mission of leadership in the Arab world. I suspect that this is something cyclical and therefore may return. During my period, the overwhelming view of Egyptians was as people of the Nile Valley. So when a Mubarak or someone like that (I refer to Mubarak so often because I was so frequently present when he spoke to visitors. I was only with Sadat and visitors two or three times. I was with Mubarak probably about fifteen times when he was being expansive with visitors.) Mubarak may have had some ambivalence, but for the majority of the time, you were getting an Egyptian oriented view. Sadat and Mubarak would not talk as leaders of the Arab world. They talked much more narrowly. Part of the trauma of the Egyptians lies in their sense of identity. There is a sense in which the Egyptians know who they are and there is a sense of history that goes back to before Islam. It goes way, way back. They have so many problems that they don't have time to sit around to be proud of the accomplishments of their ancestors and yet they are aware of them all the time. I did not find the Egyptians perfect, but I did find them in general an appealing people.

Q: What happened after ten months in Cairo?

DILLON: It came about as so many Foreign Service assignments do. I was sitting at my desk when I got a call from somebody in the Senior Assignment Branch of the office of Personnel in Washington. I was very surprised because at the time I had been in Cairo for only seven or eight months. I was just getting comfortable; my wife was just getting comfortable. We were enjoying the Athertons tremendously, thinking how lucky we were. The Washington caller asked me whether I would be interested in going to Lebanon as ambassador. As I said, I was rather surprised. I had been following with interest the sometimes "romantic" telegrams that were coming out of Lebanon describing the tremendous violence. The Ambassador was John Gunther Dean. His descriptions of the scene and what he was trying to do and the kind of advice he was giving were riveting. I never saw any of the Washington responses, but I saw a lot of the Beirut reporting. It was clear that the U.S. government was not looking for much out of Lebanon. It was merely trying to prevent a bad situation from getting worse. It was clear to me that the call was a serious one to which I should give some thought. So I asked whether I could call back later. It took me about fifteen seconds and I called back saying that I would be interested. I did ask about a replacement for me in Cairo. I was told that Henry Precht might be available. Washington said it would be back in touch. I immediately went to see Roy to tell him about the phone calls. I told him that I had expected to be in Cairo for a long time, but that I would like to be an ambassador and that I was really intrigued by the idea of going to Lebanon. Roy professed great disappointment and frowned, which was not a characteristic Atherton expression. Then I said: "I understand that if I go to Lebanon, Henry Precht would be available to replace me as DCM". Immediately Roy lightened up. Henry was the country director for Egypt and is a very able officer. Since then I have always maintained jokingly that Roy could hardly wait for me to leave so that Henry could join him. I hope I am exaggerating, but I am not sure. Roy professed to be disappointed which was nice of him, but he would never had stood in the way of an officer becoming an ambassador. Then I went home to talk to my wife. We talked and she was concerned about the obvious problems. At that point, spouses were still permitted to be in Beirut. By the time I got there, they had all been evacuated and therefore she couldn't accompany me when the time came. Her real concern was about Tom, our youngest son. We made a quick decision that Tom should go live with his older sister who was married and living in Arizona. It was the first time we were separated from our youngest child, but my wife was prepared to go.

She knew that it was important to me. Lebanon was always a very interesting place. I remember that during our discussions, the question would come up: "Why me?" I like to think that I might have acquired an unwarranted reputation for being cool under pressure.

Within a very few days, I was told that I was the Department's choice, but that I was not to share that news with anyone but Atherton. That is what I did. To this day, I have no idea how I was chosen or who suggested my name or anything else. I assume that there wasn't any competition from political "wannabees". Roy clearly had not been consulted; he was surprised when I told him. So I assume that it was Nick Veliotis, who was then the Assistant Secretary for the region and members of his staff who suggested my name. Dean was coming to the end of his tour. He had been there almost three years and was ready to leave. I ended up being there two and half years.

DOUGLAS R. KEENE
Political-Military Officer
Cairo (1980-1983)

Mr. Keene was born and raised in Massachusetts and graduated from Colby College. He joined the Foreign Service in 1967, serving first in Viet Nam and subsequently at Middle East posts including Jerusalem, Karachi, Cairo, as well as Amman and Muscat, where he was Deputy Chief of Mission. His Washington assignments also concerned primarily Middle Eastern matters, including the Arab-Israeli problem.

Q: Well then, in '80, where did you go? You didn't belong to anybody.

KEENE: No, I didn't. I went to Cairo—the first pol-mil (political-military) officer in the embassy.

Q: Actually, in many ways that put you into something you knew something about by this time.

KEENE: Yes. And they were gearing up, and there was a large and growing American presence under the auspices of the Office of Military Cooperation, led by a two-star Air Force general.

Q: Who was the ambassador when you went out?

KEENE: Roy Atherton.

Q: What was your job?

KEENE: I had to make it up. I started going to the OMC meetings every morning and getting to know those guys pretty well and started talking to them about political factors that needs to be considered and this and that and the other thing. I think pretty soon I became sort of the liaison from the ambassador to the military there. And besides the OMC, we had a fairly large defense

attaché office, and we had a naval-medical research unit (NAMRU), and pretty soon we had unacknowledged bases in the desert—a pretty big program.

Q: What was your impression of the Egyptian military and their ability to absorb this quantify of sophisticated equipment?

KEENE: Well, they had a problem. Some of the leadership was very impressive, actually—well, trained, Sandhurst (British military school). We started training them in our command schools. But the rank and file was another story; it tended to be maybe illiterates from the farm. There were problems.

Q: I remember reading an article by an American military man who was saying there was a real disconnect between our training procedure and you might say the Egyptian, but oh! The Arab one where for the Arab, knowledge is power. And so if you trained a captain on something, he wasn't going to pass much down to his men, where as in our business you pass it down, you get it down to the sergeants and corporals very quickly, and there wasn't much of that. This is how the captain maintains power within the system. Did you find that?

KEENE: Yes. It was very hierarchical, it really was. They had generals doing stuff that we'd have sergeants doing...made for a lot of generals.

Q: Was that in a way your problem.

KEENE: Well, a little, but not so much. It was more the problem of the guys training them, the hands-on technicians, the aircraft mechanics. They had to deal with that at a much more intense pace than we did; I mean, we obviously wanted the program to succeed. Then we started joint exercises with them, and we just had a lot of activity—lot of stuff going on. Other issues: we were trying to get our nuclear-powered warships through the Suez Canal; that one dragged on for years and years.

Q: Well, what was the situation? Did we put them through?

KEENE: When I was there, they let us do one, once.

Q: Which warship was that?

KEENE: I forget. As a symbolic thing. But at the time I left, they were still fighting it. I think a few go through now. It really was a major military relationship.

Q: Was the feeling that this is a major military relationship to build up the military, was this just a pay-off to keep the Egyptians from doing anything.

KEENE: Yes, basically. Well, I suppose a little more complex than that. They are a leader of both the Arab world and in some respects the African Union, and they play a regional role bigger than many of the other countries. And they've done some peacekeeping, so they can use some of that stuff in that way. But what you say is also true—buying them off.

Q: Did you get any visits or connections with the Israeli side of things?

KEENE: Not so much. We had the MFO in the Sinai—Multinational Force and Observers—and we had—the Israeli Embassy opened while I was there, so we could interact a little bit with them, and Israeli officials started visiting. There wasn't a flood of them.

Q: Did you have much connection with the Egyptians, per se?

KEENE: Oh yes, quite a bit. You had your *official relations*, where you'd go over to the foreign ministry or the ministry of defense, and I would be doing that almost every day. We had people in the office of the minister; we had people that we knew in the office of—I guess his title was National Security Advisor—Osama Al-Baz, he was sort of Mubarak's right hand man on current issues. Yes, quite a bit. And then we just had some social friends. Some of them later got arrested, and became prominent!

Q: While you were doing that, were you going to be a political-military officer and had moved out of the consular cone, did you think?

KEENE: Yes, at some point I did succeed in moving into the political cone; I think it was while I was in PM in Washington—'78, or something.

Q: Well then, what were they going to do with you?

KEENE: Well, I didn't know, but I liked political-military work and I would have been happy to continue doing it. And in some ways I did, without the title. Later on.

Q: . Could you talk about the assassination of Anwar Sadat? Where you were at the time and how that devolved?

KEENE: Yes. I was in the stands at the military parade on October 10, and that was the first year that significant amounts of American military equipment were provided. I was the political-military officer, so it seemed like a good idea to go to the parade. So we witnessed the attack and the assassination. My wife and son were with me.

Q: Had there been any warning of this before—I mean in the embassy did you know there was a basic problem with, I guess they were fundamentalists, or Islamists?

KEENE: We knew that there was a significant amount of corruption in the Sadat regime, and we knew that he wasn't as popular in Egypt as he was in the west; and we did know that there were the beginnings, we thought, of the growth of fundamentalism. A lot of it in some of the provincial towns, like Asyut, for example, which was quite a poor city, and probably knew less about it in Cairo itself than we later came to discover.

Q: How far were you away from the action?

KEENE: Not that far.

Q: What did you think when all of a sudden these guys started piling out of trucks?

KEENE: It was not the first time that a vehicle had pulled over in that parade; they never did preventive maintenance at all in Egypt, so we didn't too much of it at first, except that maybe the truck was broken down. Also, at that instant, they had a flyover by some Mirage jets, so most people were looking up in the sky instead of at the truck. And then of course you heard the sounds of the firing. They threw some grenades too—there was a fair amount of noise. They sprayed the crowd as well as the front row of dignitaries, I guess to keep people down. In spite of all the security that was there, I only saw one guy firing back. They pretty much hit every other person in the front row. I know the chief of staff of the army was hit in the face with a grenade that didn't go off, so he was a fortunate survivor. Mubarak pretty much escaped—he just had a little nick.

Q: Was he next to Sadat?

KEENE: He was. It was really like every guy. I don't know how they managed to do that—maybe just the way that the rifles fired. Sadat himself was hit, according to some reports later, forty odd times. No question he was dead; I saw what turned out to be his body being removed and taken out of there in an ambulance. And then the embassy called several of us in, trying to figure out how to deal with this situation, and while we were there the ambassador, Roy Atherton, got a call from the Minister of Defense, Abu Gazallah, who just lied to him...just said that Sadat was okay and would survive. I had seen him carried out and didn't believe that at all and soon the truth came out.

Q: Yes, I remember that report. I was at the State Department.

KEENE: That was pretty—the thing is, he was right next to him, too. He knew much better than that. It was purposeful deception, I'm sure.

Q: Well then, what did you all do? I mean, how did the embassy respond; what was sort of the immediate thinking about what does this mean?

KEENE: Well, exactly. Of course we weren't sure how deep-seated a conspiracy this was. But the streets were fairly calm. People weren't all that saddened. No widespread disturbances broke out; there were a few minor incidents in some of the provincial towns. We knew the constitution; we knew that if there was no uprising or anything further that Mubarak would become president, as he did. We ordered all the appropriate security measures of course—stay home, don't go out in the streets. I guess we closed embassy operations for a few days; I don't remember precisely how long.

Q: Was there a sort of re-looking at the file on Mubarak at the time?

KEENE: Yes, because he wasn't really that highly regarded as a—he'd been head of the air force, but—and he sat in on a lot of meetings with Sadat, but more...I mean, he never expressed

independent ideas or thoughts. He just sort of went along with whatever Sadat said, at least publicly.

Q: In a way that was sort of how Sadat was seen, wasn't it, until he came to the fore?

KEENE: I guess there's some truth to that, yes.

Q: Maybe that's the Egyptian method of keeping one's head.

KEENE: I imagine it is, and he's been there a long time now. We never expected that.

Q: Well then, we're back to what-- '94?

KEENE: That was...no, '83.

Q: '83—that's when the attack was, but I'm talking about where we were on the tape.

KEENE: Oh, yes, we are. I wanted to say—just to finish that, briefly. One of the first thing we had to do was to get ready for the incredibly huge delegation that came to his funeral, which consisted, I think, of four former presidents, half—that's not true—it seemed like half the senate and a third of the congress. And Begin came too, and it was on the Sabbath, so he had to walk—he couldn't drive, so security for that was enormous. So our delegation walked behind too. Lots of security for that. They couldn't go out to eat, so we had to have a dinner at the hotel where they stayed in Heliopolis. I do remember Nixon getting drunk and making a lot of sort of overly praising the job of the Foreign Service and all that we did. It was a lot of work; I was in charge of the control room.

Q: What were you doing?

KEENE: I was the control room officer...huge delegation.

Q: What did the control room officer do?

KEENE: Well, he had to set up the room and provide information, referrals for medical care, drinks, accommodation exchange--anything they wanted, we had to sort of do. And there were a lot of them—that was one of the bigger delegations.

Q: You were in Cairo from when?

KEENE: I was in Cairo from 1980 until 1983. And I went to Jerusalem: deputy principal officer. I got very involved in the Palestinian issue.

ERNEST WILSON
Associate Director for Financial Management, USAID

Cairo (1981-1984)

Ernest Wilson was born in Louisiana and spent most of his young life in Illinois, graduating from the University of Illinois Urbana-Champaign in 1951 with a degree in accounting. He was soon after recruited by the United States Agency for International Development (USAID) and worked there for many years, serving in Ethiopia, Brazil, Central America, Ghana, Kenya and Egypt. This interview was held on December 1st, 1998.

WILSON: From there, in 1981, I went to Egypt as the Associate Director for Financial Management.

Q: That must have been a big challenge.

WILSON: That was a big challenge. The program was quite large.

Q: What was the scale of the funding you were managing?

WILSON: Just under one billion dollars a year. About \$250 million in PL480, about \$250 million in commodity import loans, and about \$500 million in ESF for projects.

Q: How big a staff did you have?

WILSON: The mission had 155, I think, U.S. direct hires, which included two or three part-timers and WAEs (when actually employed). Half of that 155 were project officers, designing and managing projects.

Q: How many were in your office?

WILSON: In the Controller's Office, when I got there, there were nine U.S. direct hires and about 40 FSN employees. But still, we were not computerized. There was a computer there, but it was only used to track the commodity import program. They were working on the mission accounting and control system.

Q: Did you do bookkeeping by hand?

WILSON: It was still manual bookkeeping. We had word processing on the computer and that was it. We had some Frieden calculators. The rest of it was all manual. As I said, the Commodity Import Program was computerized. That was useful because we had to track everything into the country and to the end user. So, having that function computerized was useful. That had been done with a contractor with a U.S. firm in Egypt. But there was so much activity in project design that the computers were used almost 24 hours a day for word processing. A lot of infrastructure projects. We had special authorities in the mission, but we still had to go through the PID and the PP process. We considered a small project anything under \$25 million.

Q: Did you do a lot of financial analysis for these projects?

WILSON: Yes.

Q: That was part of your function.

WILSON: Half of the U.S. direct hire staff in my office were financial analysts. But we more or less assigned the financial analysis staff to certain portfolios. They worked with the agriculture division or the infrastructure division. They were working almost completely with those divisions serving on their project design committees and performing analytical work for the portfolio.

Q: They were under your oversight?

WILSON: Yes, they were under my general oversight, but working primarily with the division chiefs and their office directors.

Q: What were some of the major issues that you had to deal with?

WILSON: The major issue I had to deal with was audit. There was a large IG audit office there resident in Cairo and they only audited the Egypt program. So, every week, there was an entrance conference for an audit just commencing or an exit conference for one just completed. There were numerous audit recommendations to track to resolution/closure.

Q: Lots of audit problems?

WILSON: Yes, problems in terms of numerous reports with recommendations which had to be implemented within a limited period of time.

Q: Was there any pattern to these problems that came up?

WILSON: If anything, there were implementation problems. We obligated funds efficiently enough, but getting the projects started was a problem. We had a pipeline when I left of \$3.5 billion. Everything was host country contracted, which was another bottleneck in that the Egyptians didn't have the resources and the mechanisms to react quickly. They had people, but no systems.

Q: It seems to me that the audit or the Inspector General was particularly concerned about the host country contract issue, is that right?

WILSON: Yes, and a lot of other people were as well. We had every contractor that I can think of in country working with these large infrastructure projects. The emphasis naturally was on delivering the assistance, which meant getting the money obligated. All this money had piled up. When I got there, they were just beginning to implement. So, it was a field day for the auditors.

Q: Any particular measures you were instituting in an attempt to address this problem?

WILSON: As a host country program, the Government of Egypt (GOE) was to implement and monitor the program on their own with AID's guidance. So, we were trying to get them to let a contract with an American accounting firm with a local associate that would come in and set up an audit program for them so that they could assume some monitoring responsibility for the program.

Q: Were they receptive to that?

WILSON: They were receptive to that, but we ended up practically doing all the work "in house" to let the contract and sending the documentation over to have them sign it. But when the bids were all in, we got them to establish a panel, half GOE, half USAID personnel, to evaluate the bids and to choose the successful bidder.

Q: This was based in the Egyptian government somewhere?

WILSON: Yes, the Ministry of Economy, was our counterpart.

Q: And they had this audit function under them.

WILSON: Yes.

Q: What about the implementation? How did we address that problem?

WILSON: Slowly, by trying to increase their capabilities so that they could discharge their responsibilities more effectively.

Q: Was there any change in the time you were there in terms of this backlog?

WILSON: Nothing that affected the large pipeline very much. I left in 1984, so much has changed over the past 15 years. The nature of the program has been changed somewhat, not greatly. There are some cash transfers which are more easily processed than long-term infrastructure projects. The pipeline is down so there's been some progress. But it was just a tremendous burden to place on an antiquated system.

Q: How did you find the Egyptian government to work with?

WILSON: They were great people on a person to person basis, but momentum was difficult to achieve. They had lots of personnel but no organization, systems or equipment. They would come to us for financial data. They never seemed to produce anything. I had all kinds of headaches with payment. Under host country contracts, the contracts were between the host country and the contractor, but we agreed to finance them. The billing goes from the contractor to the host country. The host country has to approve it and send it to us before we can pay. Initially, the host country had 30 days to approve. So, it was probably 45 days after submission of a bill and receipt in the country before we got it. By then, the contractors were demanding payment and U.S. Congressmen are calling the Mission about payments. We usually found that the approved vouchers were still in transit from the GOE or received in the Mission one or two

days before the inquiry. That was the negative side of host country contracting and it was also indicative of the fact that we still were not up to date with communications systems. As a temporary measure, we put clauses into all the contracts as we incrementally funded them requiring the contractor at the time that he submitted a billing to the Egyptians to also submit one to the mission. That way, we could track billings. If we didn't have the billing within 30 days, we would process the documentation that we had gotten and make adjustments later on. That improved the payment process somewhat. Then we were able to go to a different payment system based on telegraphic advice to the disbursing center to make a disbursement rather than sending documentation. That was a major improvement. By the time I left in 1984, we had a computerized accounting system. We were going on line with that. We had the equipment. That has progressed and has been a major improvement in the financial management area.

Q: Did you have any particular issues with misuse of funds?

WILSON: I only recall one or two. One was right after I arrived at post in 1981. It involved many million square feet of lumber that had arrived in country. There were reports that the actual square footage delivered was less than the amount invoiced. I think we resolved it by having somebody from the U.S. Forestry Service come out and verify the amount of lumber received.

Q: Measured each board?

WILSON: Millions of square feet of lumber had been offloaded. We knew it was there, but we didn't know whether it was short. That charge could not be proven. So, the contractor was paid.

Then there was another charge about agriculture irrigation equipment purchased locally. The irrigation system in place didn't meet the contract specifications, it was alleged. That proved not to be the case

There was very little money disbursed to Egypt. We financed contracts. We didn't do any local cost financing. We also had a trust fund agreement where the GOE paid for USAID office space from local currency generated by the PL480 program. We had a system where the bank building where USAID was located (and, I think, still is) collected rent in hard currency. So, we paid them in dollars. The GOE reimbursed us in local currency. That was sort of trouble-free because it only covered the rent in the building, but we had three or four floors in this large bank building. This was part of their contribution to the cost of the AID program. The other contribution would be the local cost elements of most of the projects.

Q: What was your impression of the overall impact of the program? It was primarily a political environment and there wasn't much we could do about policy issues that made a program effective. What was your impression of the effectiveness of the program?

WILSON: I thought the program was effective in what we were trying to do. The country's infrastructure required major upgrading. There were many concrete examples of AID's assistance having contributed to the economic good of the country. Without modern communications on the canal, Egypt would have had major problems. When I arrived, the local telephone system was hardly working. We were all on telephone lines out of the embassy in

order to call out of the country. Even to call within the country, you had to go through the embassy switchboard. In order to get a message from one point to another, contractors employed “runners” who would get out and deliver a message because they couldn't get through on the telephone. Now, that's all changed. They have a modern communications system. They have modern hotels. There are still infrastructure needs, but traffic, which was horrendous 10-15 years ago, is manageable. There are new roads. There are water systems, port systems, there are things in place that you can identify with U.S. assistance.

Q: What about rural development? There was a big decentralization program, I believe, at that time.

WILSON: Frankly, I don't know what happened on the “decentralization programs”, which were directed to local governments in rural areas, because this program was just starting when I left. It was decided that infrastructure need would be addressed first. Those were largely accomplished, albeit not on the time schedule that was originally set, but they eventually were completed.

Q: Do you think you needed a mission that big?

WILSON: If we were going to get anything done, yes. \$1.0 billion per year is a lot of money. But there were a lot of needs. There was concern about accountability. I think it's probably remarkable that with that level of funding in a part of the world that's notorious for defaults and misuse of funds, there were no major scandals. It was in the way the program was implemented almost exclusively by U.S. contractors under AID supervision.

Q: So, the Mission was essentially a shadow government for running this show.

WILSON: I suppose you could say that. We used host country contracting so that the GOE was a significant part of the decision making process. Of course, they always compared the program as was run in Egypt with the way it was run in Israel. I was there in the early days. The Sadat assassination occurred just after I got there. I think we had probably been there seven or eight years. I think we went there in the mid-1970s. But things were getting better even then. I returned to Egypt about four or five years ago. You could see the results, the changes: the functioning communication systems, the traffic flow, new building, etc. Whether or not we got any policy changes, I don't know. I doubt it. The objective was to improve the economy of the country. In order to do that, the country's infrastructure had to be modernized. We did that, I think.

JOHN RATIGAN
Consul General
Cairo (1982-1984)

Mr. Ratigan was born in New York, raised in Minnesota and educated at Dartmouth College and Yale Law School. After service in the Peace Corps and ten years in private law practice, in 1973 he joined the Foreign Service. A

specialist in consular matters, and particularly immigration, Mr. Ratigan served as a consular officer in Teheran, Cairo, Toronto and Seoul and from 1984 to 1985 as immigration specialist and Pearson Fellow on the Senate Immigration Subcommittee. In 1989 he again served on that subcommittee as immigration expert. Mr. Ratigan was interviewed by Ray Ewing in 2007.

Q: Where did you go from there; this was the summer of 1982.

RATIGAN: Actually I came back to the department in January of 1982 when my three years was up. I had been assigned as consul general in Cairo. A former colleague from Tehran, Henry Precht was the DCM in Cairo. In addition to having a fascination with Egypt, my wife and I were offered the chance to work with Henry. So off we went to Egypt. I had language training.

Q: For how long?

RATIGAN: About four months.

Q: That is a pretty quick time to learn Arabic.

RATIGAN: I came to it with some advantages because I had learned Farsi. My Farsi was fairly decent by the time I got through in Tehran. Of course I think there was about a 25% overlap in both vocabularies between Farsi and Arabic. And as former dean of the language school I will tell you that I thought that my grade in Arabic was a bit inflated by the staff. I can see them doing it to get me out of there in four months instead of six.

Q: What score did you get?

RATIGAN: I don't know a 2+-2 or something like that.

Q: That is pretty good for four months.

RATIGAN: Well I am not sure I deserved it. Egypt was a contrast to Singapore in so many ways. I mean we arrived at the airport and we sort of drove all the way around Cairo from the airport to our embassy housing in a suburb called Maadi in the south where we stayed until our house was ready. So by the time we got there it was dust and smoke from burning tires filling the air. My wife had started to cry. It was not a happy arrival even though we were welcomed by the Prechts and taken very good care of etc. But it was totally different. Whereas in Singapore I had this wonderfully efficient small compact highly effective staff, in Cairo we just had kind of a rambling facility. We had twice the staff at least and everything seemed a struggle to operate. But anyway we came to love Egypt and I think probably did more there and found more to do there than in any place we ever were, but it was a different place.

Q: Was it a big section? You had other American officers?

RATIGAN: We had how many? We had about five or six American officers I guess. The problem was that, or one of the problems was that since it wasn't an embassy of consular

significance but it was an embassy of political significance, and so if you had a problem it was very difficult to get in touch with your Egyptian opposite number because the foreign ministry didn't pay their people much of anything so as a result they didn't really show up at all. So getting them on the phone was extremely difficult.

Q: The phones probably didn't work very well.

RATIGAN: The phones didn't work. Siemens and AT&T were both working on the phones as part of foreign aid programs, which I think helped a lot eventually but not much then. To get across town by car was impossible. To get to the foreign ministry because the phones didn't work, everybody else was trying to drive somewhere because the phone was not operable, so the traffic jams were constant all day long.

In Cairo, our AID mission was headed by a guy named Mike Stone who was a former California vintner who owned Sterling Vineyards, but he had just sold it to Coca Cola I believe. Mike was a very good AID director and went on to be the secretary of the air force later on. He was the man who had to explain the \$600.00 toilet seats and all those outrages, and I thought did an excellent job of doing it. Anyway, we had navy tropical medicine people there. We had the Library of Congress. We had all the other usual suspects plus the Library of Congress, the legal attaches, etc. It was a huge embassy. I think much of the direction of the U.S. involvement in Afghanistan was run through the embassy in Cairo. We would have these unannounced visits of Bill Casey to the building. You would never do anything other than just see him getting out of the car and going into the chancery, but there was a lot going on in that area from Cairo.

Q: Was the consular section co-located with the chancery, or were you somewhere else?

RATIGAN: We were not in the main chancery building. There was sort of a compound, a walled compound, and we were in another building. So it was maybe less than 100 yards from the chancery to our building. I didn't have, I didn't see the political and econ people and the DCM and so forth on a regular basis. We did have one interesting problem there, and that is we had an American woman who was hanging around Cairo and basically looking for something to do in the field of foreign affairs. Her hero was a woman named Oriana Fallaci who was well known as a journalist and a fairly provocative journalist and so forth. So this young American woman wanted to go to Libya to interview Muammar Qadhafi. So you know she came to me at some point or other and I told her you can't go to Libya without permission of the U.S. government etc. Anyway she hung around, she was not only a student at the American University in Cairo but got into other bits and pieces and didn't really have any way to sort of maintain herself. I was concerned that she was going to do something that would land her on the front pages of the local press, or even the international press. So finally we simply decided that this was not someone that was in the interest of the U.S. government to have remain in Egypt. So as consul general I was regularly visited by sort of embassy's liaison with internal security forces in Egypt. Of course he was there to get visas for his friends or higher-ups. You know we would have a cup of coffee and we had a regular relationship. At one point or another I simply identified who this person was and said, "Next time she came up for renewal we didn't want her around anymore." Sure enough she was gone. It was a bit of a new thing for me. I think that it was a decision I mean she could have embroiled us in a mess if she had taken some of these initiatives she wanted

to take. She ultimately came back to Cairo. I don't know quite how, but anyway I think she was little less ambitious the second time.

Q: You mentioned that Henry Precht who you served with in Tehran was the DCM. Of course this was not long after he was country director for Iran at the time of the embassy takeover and all of the related events. Who was the ambassador?

RATIGAN: The first ambassador was Roy Atherton. Then second he was succeeded by Nick Veliotis. Two I thought, excellent ambassadors, quite different in their styles. Roy Atherton I just always felt just never put a foot wrong. When he left Egypt, the parties, the praise, the genuine feeling for him was really amazing. I mean given that we have an always controversial role in the middle east and there are always people who are not happy with what we are doing one way or another, They all seemed to kind of put that to one side where Roy Atherton was concerned. He just had a very deft sense of how to operate. And Nick, of course, Nick Veliotis was different in many ways. Nick was an opinionated guy. He could have fun with it and you would enjoy being in his presence. He was fun to be around. I think famously when he was overheard on the phone criticizing those who conducted the Achille Lauro hijacking at sea, and killing of the crippled American guy. I mean he said what I think so many of us would have said in the same situation, but it just didn't work out for him.

Q: Were you there at that time?

RATIGAN: No, the Achille Lauro happened shortly after I left. I got there right after, shortly after Sadat had been assassinated. I think the Achille Lauro was in '85 or something, and we left in '84.

Q: Anything else you want to say about your time in Cairo as consul general?

RATIGAN: We loved it; it was a wonderful place, but professionally it was hell to work there, but I have already talked about that.

Q: Did you get involved in things related to Israeli or Israelis?

RATIGAN: We had a few issues at the border crossing point at Rafah, but nothing serious.

Q: Other regional things, you mentioned Libya.

RATIGAN: Not really.

Q: Did your Arabic work in Cairo or not really?

RATIGAN: It was frustrating. I went out there and I have always been very interested in visa issues but somehow or other I seem to, the natural slot for me seemed to be dealing with American citizens. So as soon as I arrived in Cairo I seemed to be dealing with more American citizens than with visa issues. So my Arabic degraded rapidly/ It was never as good as it was in Washington. I like languages and I was disappointed in that.

Q: You mentioned American citizen service, were these mostly American tourists, resident Americans all of the above. They did some terrorist attacks on American tourists over the years.

RATIGAN: There have been terrorist attacks on foreigners in general over the years, but that wasn't a major problem when I was there. For American tourists, it was mainly health and safety issues. What would happen is that they would come over of course on these package tours and they would go up to Luxor and some extent Aswan, but usually in Luxor in the Valley of the Kings. The tour companies would roll you out at 5:30 in the morning and make sure that you were up early in the morning so that you could go into the tombs and do the tourism before the sun really got hot. Well the stress of these situations took its toll on elderly Americans, and we had quite a number of American deaths, what seemed to us to be an unusually high number of American deaths among people who were there at the time. You know we had a routine for that and we handled it and so forth. But I think that was one of the really principal causes, and then as tourism failed and these large tour boats that you often see ply up and down the Nile became less and less financially viable, there started occurring fires on these tourism boats. As one might think the owners decided to burn them and collect the insurance rather than continue to operate them. Well we had a couple of those. In one particular case the boat was almost entirely Americans. We came to work one day and we had 50 or 60 Americans basically in their pajamas waiting in the visa waiting room, trying to get some money, trying to get anything to get themselves squared away. So we had to, we did whatever we could for them. We had a cash fund we used for emergencies, but obviously it was just a pittance compared to what they needed. That kind of thing started to happen with a fair amount of regularity toward the end of my time there. I think it continued on later as tourism to Egypt just fell off. Of course then the shootings and the threats to tourists came a bit later.

Q: As head of consular section with a very large American resident population connected with American University Cairo, the AID program, the military, all these things, did the Ambassador or DCM expect you to for example get involved with the school or other American community things or not really.

RATIGAN: We had two kids in the school so as parents we got involved, but the admin counselor was on the board at the school, and so that was the principal liaison. I wasn't really asked to do anything special with either the business community or the school.

Q: OK, anything else you want to say about your time in Cairo which I think ended in 1984?

RATIGAN: It did.

Q: So you were there about two years.

RATIGAN: Two years, and I think Henry Precht was hoping that I might extend. I had designed a new design for the sort of dysfunctional design of the consular section, and of course we were in the process of building a new building at the time. When I first came there I had harbored thoughts of actually handling the move in to the new building. But Egypt being Egypt, things didn't quite move that fast. There were other issues as well, but after two years I felt like it was

so difficult to operate there. You could not operate to Washington standards. So I just decided not to extend, even though the family loved it and I certainly enjoyed it, we decided not to extend. So we moved on. During my time there while I was applying for my next job in the foreign service I told personnel I wanted to work on immigration legislation which was currently a hot topic in Congress. Simpson-Mazzoli was the name of the bill. So I told them I wanted to work for either Simpson or Mazzoli, I didn't care who, on the immigration legislation. I think Diego Asencio was the assistant secretary for consular affairs at that time. I don't know but I was told he was delighted by this and so it was subsequently arranged that I would work for Senator Simpson. So that leads really directly into my next assignment. I came back...

Q: Let me ask you one last question about Cairo. You mentioned something about doing a new design about the dysfunctional consular section. Did you do that, and what was the dysfunction, the people, physical layout?

RATIGAN: the physical layout. You know there were just pillars everywhere. I have no idea how old the building was, but it certainly wasn't new. So we had these huge pillars just all over the place which made any kind of flow very difficult. So even designing a new layout given the space that we had was an improvement, but not as good as it could have been, and certainly not as good as I'm sure it became when they had the new building.

Q: And the consular section in total moved into the new building.

RATIGAN: Yes. We were on the ground floor I think. As it turned out ultimately there were two buildings. I am not sure that is the way the plan started but, I don't think I have been back there since the new buildings, but I think they turned into two buildings ultimately. So yes and I mean that was probably in the late 80's.

EDMUND JAMES HULL
Political/Military Officer
Cairo (1982-1984)

Deputy Political Counselor
Cairo (1984-1986)

Ambassador Hull was born in Iowa and raised in Illinois. He was educated at Princeton and Oxford Universities. After service in the Peace Corps, Mr. Hull joined the Foreign Service in 1974 and had postings in Amman, Beirut, Jerusalem, Tunis and Cairo as well as serving as Ambassador to Yemen from 2001 to 2004. In Washington, the Ambassador served on the National Security Council and as Advisor to the Secretary of State on Counterterrorism. He was interviewed by Charles Stuart Kennedy in 2005

HULL: I went to Cairo, Egypt. It was very soon after the assassination of Anwar Sadat. Our embassy was growing by leaps and bounds because of the Camp David process and the peace

treaty with Israel. The Egyptians were being shunned by the Arab world. It was a place where there was tremendous diplomatic action. It was also an embassy that was headed by Roy Atherton who was a legend in NEA. Henry Precht was the Deputy Chief of Mission, and he too was legendary. He had ended up in Cairo as a consolation prize when the Congress had refused to confirm him as ambassador to Mauritania.

Q: What was his problem?

HULL: Henry was held responsible for the loss of Iran. As happens in Washington, an individual will be singled out and, although immensely competent, will be in this way punished by the legislative branch. NEA certainly felt Henry had done yeoman's work and felt that he had earned an embassy and not being able to give him his own embassy, they did the next best thing which was to make him number two at one of the most important embassies in the world.

Q: Mauritania is not exactly a prize.

HULL: No, but I think for most diplomats an ambassadorship is the brass ring.

Q: What was the situation, this was in early Mubarak when you got there and what was the political-economic situation in relation to the United States?

HULL: My job in Cairo was political-military officer. I had no military background, I had been Peace Corps. But I remember that Skip Gnehm (later Ambassador to Australia and Jordan and Director General of the Foreign Service), whom I knew since his days in Damascus, had always felt that to be a good diplomat you really needed to understand the U.S. military, and you had to understand military matters. I was very happy to have this job in Cairo, which was then initiating the largest military assistance program that we had anywhere in the world. I arrived with a beard. I had had a summer vacation and started a beard. I met General Ed Tixier who was a U.S. Air Force major general, a very interesting character in his own right and immensely competent, about six foot four, very much a general in bearing, in intelligence, and in demeanor. Shortly after I'd arrived my boss, who was Political Counselor Tom Carolyn, came to me and said, "Edmund, there's one problem. General Tixier is not comfortable with your beard." So I told Tom the beard would be gone by tomorrow morning. That was the right thing to do, and I was soon adopted by the U.S. military in Cairo as one of their own and was invited to all General Tixier's staff meetings and had total access to him and very good relations across the board with the army, air force, and navy people. It also gave me a chance to get to know Minister of Defense Abu Ghazala, Chief of Staff Orabi and many Egyptian military personalities. And in those days even more than now, the political leadership in Egypt was rooted in the military. Nasser, of course, had been a colonel and the revolution of 1952 had been to a military undertaking. The Egyptian military in 1982 retained a dominant influence in Egyptian politics. So it was a very good vantage point from which to look at things more broadly in the relationship.

Q: What did you find, this must have been an emerging educational experience of a Foreign Service Officer having not come out of the military or had your time in the military. Were you able to take what amounted to a quick course in military matters as far as getting out and learning? What kind of the plane was that, what do they do, and how does this work that sort of

thing?

HULL: Well, the assignment was like a graduate program in military affairs with its faculty General Tixier and then his successor Air Force Brigadier General Stan Musser and then on down the line through the colonels. The U.S. military is one of our par excellence institutions for teaching leadership and inducing leadership so I learned a great deal about that. And then I learned a great deal about weapons and F-4s and F-16s and M-1 tanks and I-Hawk missiles. It was ironic, at the time we had one of the best defense attaches in the business, Colonel Dick Underwood, running that operation. But the Office of Military Cooperation, the security assistance office, was really the office that had the insights and experience with the Egyptian military because they were working with these Egyptians day in and day out. The Egyptians had billions of dollars to spend, they wanted the latest and greatest. The technology vastly exceeded their ability to operate it or maintain it. We were constantly struggling to bring the logistic support and the operating skills of the Egyptians on a par with the kind of technology that was pouring into Egypt. A lot of the security assistance advisers got extremely frustrated with this mismatch. Some called the mission: "Kicking sand." We were constantly counseling patience and forbearance and trying to help the Americans in this strange environment function effectively.

One of the things I did early on was to read Mohamed Hassanein Heikal's book, Sphinx and Commissar, which was an insider's account of what went wrong in the Egyptian-Soviet military relationship. You remember the Soviets were kicked out of Egypt in 1973, prior to the war. They had been there for about five years or more. One of my intents was to learn from the Soviet experience and not have us repeat the mistakes the Soviets made. At the time there were dire predictions, including by people as knowledgeable as Herman Eilts, a legendary former ambassador, who did not think that the United States could sustain this kind of intensive military relationship with the Egyptians. Yet, we have sustained that relationship, and we are still there with a great presence. I think we did have success in that regard in shaping that relationship so that both sides found it tolerable.

Q: What did you see as some of the problems the Soviets had?

HULL: The Soviets would take bases in Egypt and turn them into Soviet bases, and the Egyptians would not be allowed in. There was no greater affront to an Egyptian than to be told you can't go somewhere in your own country. We never did that. We had only one location, Wadi Qena, which Sadat offered for contingencies related to the Iran hostage issue and which we kept secret, but even there the Egyptians had access. I think that was the most important step that we took.

Secondly, the Soviets kept the Egyptians at arm's length. They really could not interact whereas Americans, for all of our faults and all of our shortcomings, we are not pretentious people. The U.S. military are salt of the earth and can relate in very personal ways to whomever they have to relate.

I think the third thing we did well was professional education and training in the U.S. The Egyptians, who had gone to schools in the Soviet Union, had almost uniformly very negative

experiences. They were discriminated against. The Egyptians who went to U.S. military schools almost uniformly had positive experiences. They were welcomed. They were dealt with as equals, and they came back from those experiences favorably impressed.

There were at least three issues which challenged the relationship. They were nuclear warship transits of the Suez Canal, the proposed base at Ras Banas and host nation support for Gulf contingencies. The first issue, nuclear transit of the Suez Canal, was very, very important to us.

Q: Could you explain what that was?

HULL: We needed to be able to move nuclear aircraft carriers from the Mediterranean into the Gulf. For Gulf contingencies, we would at times need more than one carrier. To move that carrier around Africa or from the Pacific Ocean to the Gulf took too much time. We wanted from the Egyptians an agreement that we could do this. We invested a great deal of diplomatic capital in this effort. I remember Assistant Secretary Nick Veliotis came out to Egypt and spent days working with, I believe it was, Presidential Advisor Osama al Baz on the Egyptian side trying to hammer out an agreement. We failed. I still remember I was the reporter for the meetings, and I had voluminous accounts of the discussion on this issue. What it came down to was the Egyptians would not formalize an agreement, and yet the Egyptians would give us a political promise that when we needed to do this we would be able to do this.

Q: It was sort of a don't ask, don't tell type situation.

HULL: Or, "knock and it shall be open to you." Our wisdom in that regard was to go with the political promise and not insist on the formal agreement. Of course, the formal agreement could have been revoked. There would have been some kind of provision for cancellation so it itself was not a guarantee. In the event, the political promise has always served us in good stead. We have moved carriers through the Suez Canal as needed. That was the first issue; the second issue was Ras Banas. Sadat had offered the U.S. administration a base at the extreme southeast corner of Egypt. In the wake of the Soviet move in Afghanistan, we had formed the Central Command because we had defined oil supplies in the Gulf as a vital U.S. interest. The Central Command was developing extensive contingency plans to deal with the possibility of a Soviet move further south into the Persian Gulf. They needed and wanted bases that would get them to the Gulf, and Sadat had offered this base.

Q: This is on the Red Sea?

HULL: This is on the Red Sea. So we began a negotiation to re-construct Ras Banas, and it involved the U.S. Corps of Engineers, and again we got immersed in an agonizing discussion. It boiled down to: Who was going to do the work? We wanted the U.S. Corps of Engineers to do the work and the Egyptians demanded that the Egyptian equivalent do the work. Washington would not give on this. I'm not sure if it was Washington politics about getting work for the Corps of Engineers.

Q: The Corps of Engineers being an extremely politically powerful group in Congress.

HULL: Yes. Or whether it was a question of standards. We didn't think the Egyptians could meet our standards. But the irony of course, was we were using Egyptian air bases in the interim and Cairo West right outside of Cairo most notably. For some reason, Egyptian standards seemed to work well in those instances, but we could not accept it if we were going to develop a base, pretty much from scratch at Ras Banas. So that failed and what we found ourselves doing instead was using existing Cairo military bases, particularly Cairo West, which we then improved instead of Ras Banas. That may have been a blessing in disguise. If we had sunk hundreds of millions of dollars into Ras Banas we might have taken "ownership" of it and then really created a serious bone of contention with the Egyptians.

The third issue was host nation support. Washington sent out teams to discuss the kind of host nation support we would want from Egypt were we deploying U.S. military forces to confront a Soviet move to the Persian Gulf. The U.S. military in their war planning developed worst case scenarios and maximum wish lists. The team coming out from Washington had a wish list that was absolutely mind boggling. Control of Cairo's International Airport, virtually diverting petroleum products for U.S. needs; an array of measures so that the Egyptians, I think, were just stunned. We received a polite hearing from the Egyptians, and then we received an Egyptian no, which was not direct, but rather no answer until after a very, very long time we finally understood that we were being turned down. So CENTCOM obviously had to work around this in forming our contingency plans.

Q: Did you think that CENTCOM at that time was pretty responsive and knowledgeable about the Middle East things, and it was more the Pentagon, you know the people of the top, who make these plans thinking every country will give in? Did you see a discrepancy between the two or not?

HULL: Not so much. I didn't see it anyway. I think CENTCOM was still on its learning curve at this state. It didn't have the area experience it has now. The host-nation-support negotiations were actually handled by the Joint Chiefs of Staff representative Air Force Major General "Click" Smith, and he was really shooting for the moon.

Q: Yes, I find that talking to people so often one of the major bones of contention is base agreements. Lawyers from the Pentagon will ask for everything. In a way, it's always a non-starter.

HULL: I certainly agree that that is the tendency. I thought with Ras Banas the embassy was negotiating the agreement, and we were doing voluminous reports back to Washington and getting detailed instructions, very time consuming and it was also very nitty gritty and detail-oriented. In retrospect, I think a much more productive approach would have been for us to strike the best deal we could and then give it to Washington as a take-it or leave-it proposition. I think Henry, who was directing the negotiations, wanted cover from Washington. He didn't want to do anything that would leave the embassy open to the charge that we had somehow sold out U.S. interests.

Q: You were dealing with the military there? Were you conscience of all the time that you were being monitored by the Israeli military to make sure that you weren't making the Egyptians too

good?

HULL: Well, the Israeli presence was very limited in Cairo. They had an embassy, but they were circumscribed. But the monitoring I think took place in Washington with any kind of arms proposal. Having a peace treaty did make a huge difference. We were pouring billions of dollars of equipment in and the Israelis were not contesting this as they were contesting say, AWACS for Saudi Arabia or F-15s for Saudi Arabia. The peace treaty made a huge difference. My sense was, no, the Israelis were not seriously opposing.

Q: What were you gaining from your American military colleagues about the Egyptian military? I read some time ago an account, I think it was a military attaché, who had served in the Middle Eastern countries and pointed out that the training is a different mind set. You teach a lieutenant how to operate an artillery piece or something he will generally in the Middle East keep that knowledge to himself and dole it out, whereas we make sure the sergeants and corporals can take over. In the Middle East, knowledge is power and you don't diffuse it. Were there any aspects of this that you noticed?

HULL: Yes, not only knowledge being power, but spare parts being power or access to the base being power. There was just this general reticence to engage in teamwork and reticence to use up resources. There was a hoarding mentality, an accountability mentality and whether or not the military could perform was a secondary concern. Egypt, like most Middle Eastern countries, suffers greatly from not having an NCO (non-commissioned officer) corps. So you have the officers at the top who often will not get their hands dirty and then recruits at the bottom who are there for a few years but then move on. So it was very hard to develop a trained, enduring cadre of technicians. Our people were extremely frustrated with a system so different than the U.S. system. It was a very great challenge to our people to engage with it effectively. More than once our trainers would go out and "kick sand" in frustration.

Q: I know, I interviewed Admiral Crowe who at one time was Chairman of the Joint Chiefs of Staff, and when he was with the his equivalent in the Soviet military the Russian was saying, you know, your great strength is in your non-commissioned officers corps which is true. I have served in the military, and I know. The sergeants are the people you are relying on.

HULL: Right, quite true. We could never convince the Egyptians to take a serious effort to develop that corps.

Q: It's cultural.

HULL: It's cultural.

Q: It's cultural and some of these things may just not go. It may make it more effective on this side but it may louse you up in your struggle to survive in the society.

HULL: It may relate to their class system. When you don't have much of a middle class then it is more natural perhaps to have the aristocratic officers and the plebian enlisted.

Q: How did you find Egypt as a country in which to work?

HULL: We loved Egypt. We extended in Egypt. After three years as political military officer, I took over as the deputy political counselor at the embassy.

Q: You were there until?

HULL: Until 1986. There were security concerns, of course. This was a very active period of terrorism so we lived with that, but we enjoyed Egypt as a cornucopia of culture. We enjoyed all of that, we learned to ride horses, we enjoyed the Red Sea, we enjoyed trips out to the oases, we thoroughly enjoyed the country. It was a factor in my decision to come back as Deputy Chief of Mission in the nineties.

Q: Going back to when you arrived, Sadat was assassinated by a bunch of, you might tell who assassinated Sadat and the repercussions that must have been going on for some time, and also judgments of Mubarak. Would you like to talk about that?

HULL: Of course, when Sadat was assassinated, I remember I was up on the Hill and got the news which shocked Congress.

Q: The Hill being Congress?

HULL: Yes. I heard first-hand accounts of the assassination when I got out to Cairo. Of course, our ambassador, Roy Atherton, had been standing very close to Sadat, and he was very much involved in absorbing the psychological blow and working with Mubarak, who took over. Mubarak, of course, now looms large, but at the time Mubarak was considered a joke as a Vice President. His nickname among Egyptians was La Vache Qui Rit after the French processed cheese because the cow depicted vaguely resembled Mubarak.

Q: Sadat had been too.

HULL: As Sadat had been under Nasser. Osama Baz, who, I think, is probably the most intelligent man in Egypt, once explained to me the phenomenon that occurs when the successor takes over. He very quickly takes on the Pharaonic aura and deference begins and then grows until he becomes this almost Pharaonic figure in the political establishment, a little bit like the American politician who succeeds in being elected as President.

At the time Mubarak had some very strong partners. Defense Minister Abu Ghazala was a formidable individual. He spoke English, he was very gregarious, he was very dynamic, he was reshaping the Egyptian military using the U.S. connection to do so and getting the Egyptian military into a lot of areas including civil construction. The Egyptians were confronting this Islamic challenge, which peaked with the assassination of Sadat. Heikal described the phenomenon in his book Autumn of Fury. In the last days of the Sadat regime, one of Sadat's mistakes was to try to repress all opposition, extreme and otherwise. He had rolled up not only

Islamic critics, but moderate critics including Heikal himself. Heikal had spent a good time bit of time in an Egyptian jail with the Islamics, and therefore in his typical journalistic fashion turned this experience into a fascinating book about this challenge. We watched the Egyptian government try to cope with this, and they did so by a combination of very tough security measures which the Egyptians are good at and a certain loosening up by Mubarak from the excesses of the Sadat era. The Egyptian people themselves have a lot at stake in extremism, not triumphing, because the Egyptian economy relies to a significant extent on tourism. Also the American connection was important; not only the military, but also the economic aid that we were pouring in was very important to the Egyptian economy.

One of the trickiest moments of that period was in 1985 when the Egyptian police force revolted. That was prompted by a measure to increase deductions from their pay that ended up being a pay cut, and the Egyptian police rioted. It was a very tense time. The riots extended to Maadi, which is the suburb in Cairo where most Americans were living and where the American school was located, and therefore embassy people calling home could hear gunshots in the background and knew that firefights were taking place around the school where their kids were. The Egyptians clamped down with a curfew, and we expected chaos and were surprised to find that the Egyptian public responded with great discipline, uncharacteristic discipline, and the curfew was very effective. The military under Abu Ghazala was called out to put down the police rebellion. I had previously recommended my parents come out for a visit, so they were visiting us during this time and could watch the events on the street from our balcony overlooking the Nile. I always thought that my father had a dim view of my political judgment in the wake of that welcome.

Q: We were having this tremendous buildup of the military. What was it for?

HULL: It was so the Egyptians could show their people and the other Arabs that their peace treaty with Israel paid off and did not neuter them in terms of their military capabilities or their influence in the Middle East.

Q: I would think that the Egyptians would have a lot of T-72s and whatever MiGs there were. What did they do with them? You know, pretty soon you start running out of parts.

HULL: Yes. Many in the Egyptian military loved their Soviet equipment. They were familiar with it. It was simple to operate. , It was simple to maintain. It was in many ways the ideal equipment for the Egyptian military, and they were attached to these items. They did make an effort to keep them running. It was so common throughout the world that you could get parts for most of it. We couldn't help them very much doing it although we helped a bit. We had some expertise in Soviet equipment, but there was this lure of the latest and greatest, the highest tech so the prestige went to the fighters, to the pilots who flew the F-16s, not the MiGs.

Q: I remember talking to somebody who was doing the same kind of the work that you were doing at one point and taking an Egyptian who wasn't too familiar into warehouse to show him the inventory you needed to maintain F-16s. It's mind-boggling and to have a little part ready in a hurry; inventory control is one of the unheralded military disciplines. It is absolutely essential.

HULL: Absolutely. The Egyptians were still doing it with file cards in warehouses and finding a part or getting a part released was a major undertaking.

Q: Were you working on this?

HULL: Oh, yes. We've made great efforts at IT (information technology) and logistics. Our people, the American military, of course were true believers in this regard and understand it's the sinews of power. The Egyptians were tough sells.

Q: You were there from 1982 to 1986 period. It was a time when intelligence technology, particularly computer work in inventories and information, was just beginning to really hit the world. Some countries really take to it, obviously the Indians do and the Chinese. How did you find the Egyptians?

HULL: It was slow, uphill. They liked the control. They liked to have those parts on the shelves, they liked to have the cards. They liked to be able to demonstrate to their bosses that they had used up nothing, so it was counter-cultural to them.

Q: One doesn't think of inventory control as being a key part of military effectiveness but it is.

HULL: Absolutely.

Q: Our equipment is more complicated whereas a lot of the Soviet equipment I think, you could sort of cast in sand.

HULL: But the Soviet stuff was a perfect match for the Egyptians.

Q: I'm told when the Soviets first came in they were asked what the war plans were. Well, you do this and you do that and then you wait. So what are you waiting for? You wait for winter.

HULL: Winters are very mild in Egypt. I asked who was the enemy? We all asked that same question. The real enemy was Israel. No one knew whether the peace treaty was going to actually work out, but the Egyptians couldn't say the enemy was Israel so we had this elaborate phantom, and then we had a convenient enemy, Libya. Libya was in our bad books, and the Libyans had provoked the Egyptians. So we got elaborate scenarios, threat assessments, involving Libya. The White House, under Reagan and with Admiral Poindexter as his Advisor for National Security Affairs, had its own scores to settle with Libya. The La Belle Disco attack occurred, we bombed Libya.

A move arose in the White House to settle the Libyan account once and for all, and the way they wanted to do that was to have the Egyptians invade and replace Qadhafi. Admiral Poindexter and members of his staff flew out in a highly secret mission to Egypt, met with Mubarak, and proposed this. By this time Nick Veliotis was ambassador and Nick as Assistant Secretary had had great battles with Al Haig and had just barely survived until Al Haig's replacement. But Nick Veliotis was a tough-minded ambassador who knew Washington. After Poindexter left, we met and the meeting included me and Henry and the intelligence liaison people. We looked at the

proposal and thought it was a loser. We knew not only what the political sentiments were in Egypt, which were not that hostile to Libya, but we also knew the capabilities of the Egyptian military and that this could easily turn into a debacle.

This whole military establishment was pointed eastward not westward so you would have had to redeploy significant forces and then you would have had to sustain these forces as they moved.

Q: It was really more a supply problem. I mean, I would imagine that the Libyans would be kind of a joke as far as fighting you know, a regular battle but it would be mainly being able to bring up new troops. Wasn't that the problem?

HULL: Well, at one level it was that and then at the political level it would have been the problem of one Arab government ousting another Arab government, which we found out in when Saddam invaded Kuwait is not viewed very favorably by the Arab world.

Anyway, we made this assessment and as part of this assessment, I took out a Michelin map of northeast Africa, and I showed Ambassador Veliotis the practical problems entailed in this proposal. The ambassador loved my presentation and said, "You're going back to Washington, and you're going to make this presentation in Washington." Here was Nick Veliotis and these were the days of course of "Irangate" when the NSC was playing fast and loose.

Q: Well, Ollie North and all this sort of thing. It was a very peculiar time.

HULL: It was a very peculiar time, and I think one of the things in Ambassador Veliotis' mind was I'm dealing directly here with the National Security Council, I've got the adviser out here talking to President Mubarak. How much does Washington, the State Department know about this? And how do I get my embassy protected and how do we make sure the voices of reason in Washington have what they need as these issues are discussed back there? So he hit upon the solution of sending me back to Washington. And I went back to Washington, I didn't want to go because I meant to go on vacation at the time, but I was dutiful and I went back and I arrived in NEA, and I met with Arnie Raphael who was then principal deputy assistant secretary and I made my presentation to Arnie Raphael. Arnie was the consummate bureaucratic politician, and he had an ambassador in Cairo that needed this story told, he had a White House that didn't want the State Department particularly involved in the issue, and he had a very, very junior person here.

Q: What rank were you at that time?

HULL: I was, I think, an Foreign Service 03 officer.

Q: That would be about a major.

HULL: Very junior. So Arnie sent me off to a little make-work job preparing a written brief and then ultimately arranged for me to meet with the under secretary for political affairs, who would have been one of the State Department's interfaces with the White House.

Q: Who was that?

HULL: Michael Armacost.

So I ended up at the end of the week meeting with the undersecretary, making the presentation in the small time he had available and then feeling that I had done my duty and headed back to the Middle East.

In the event, Mubarak and Abu Ghazala also had a rather dim view of this enterprise, and we waited and we waited and we waited for a response.

Q: That's the Egyptian, no?

Hall: Right. The CIA to its credit also recognized the flaws in this approach. Langley was responsible for recruiting the fifth column. Libyans who would support the invasion. Our local professionals, who knew the Libyan opposition, had great doubts about their wherewithal so Langley also probably leaned against this one. And so Poindexter's grand initiative to replace Qaddafi didn't wash, and I have always believed that President Reagan and the American people were spared an embarrassing failure.

Q: Did you get any view from the undersecretary where he was coming out?

HULL: No. I think Armacost was in a listening mode and not inclined to reveal his thoughts to me.

Q: Well, a fascinating insight into how things worked, particularly at that time where you had this, you know, you might say the major branches of government were in considerable suspicion of the NSC. What about our military? I mean, our attachés, the ones who knew about the capabilities. Were they?

HULL: They were very dubious. And we got no bite from CENTCOM., although in this case it probably would have been EUCOM as the supported command Libya was in their Area of Responsibility. But we got no push from the U.S. military, and this little war never happened.

Q: Were the Libyans doing anything nasty at the time or not?

HULL: They were always

Q: Vis-à-vis the Egyptians?

HULL: They were always rhetorically nasty, of course. They were in the lead of the Arabs trying to isolate Egypt from the Arabs post Camp David, and hence Qaddafi was posturing as the new Nasser which Egyptians found laughable. There were some pinpricks, but nothing that amounted to a *casus belli*.

Q: Was the Sudan a problem?

HULL: Sudan was not. The Egyptians were very interested in Sudan because of the Nile River. They felt kind of a big brother toward Sudan. They wanted the correct thing to happen in Khartoum in ways that would be compatible with Egyptian interests.

Q: I guess there were no relations with Syria at the time?

HULL: Most of the Arab world was boycotting Egypt.

Q: Did that make much difference?

HULL: It did. The Egyptians felt rejected, but the reaction was to reinforce their own feeling of superiority vis-à-vis the other Arabs.

Q: In a way, in talking to the Egyptians, did they really feel Arab?

HULL: Well, ironically they felt super Arab. Nasser, of course, had invented Arab nationalism and that was an Egyptian product. But they were Arabs, and they were more than Arabs. They also had this long pharaonic tradition of which they were very proud. Boutros Boutros-Ghali used to have his theories of concentric circles where Egypt would be playing a leading role, not only vis-à-vis the Arab world, but also the African world and then the Islamic world and then the non-aligned world, and the thing in common here was Egyptian leadership in all of these.

Q: Boutros Boutros-Ghali was the foreign minister at the time, wasn't he?

HULL: He was the minister of state for foreign affairs which was the number two.

Q: From the military point of view during the time you were there how did the American military view Mubarak?

HULL: The American military loved Defense Minister Abu Ghazala, and they respected Mubarak. I think Mubarak came across to all visitors, not only the U.S. military, but U.S. Congressman as well, as direct, candid and a friend of the United States.

Q: How about the Saudi connection? I mean, obviously the Saudis were on the Arab side, but was there any other spillover? Saudi Arabia has always had a considerable number of Egyptian teachers and administrators and people at the professional level.

HULL: Right. And that was more or less maintained, and the Saudis kept coming to Egypt, to Cairo during the holidays and during the summer for relief from the austerity of the peninsula. So at a popular level there was much less of the shunning.

Q: By that time Beirut was out of the question.

HULL: Beirut was a mess.

Q: So if you are going to Europe in the Middle East, it's Arab.

HULL: Cairo was the Mecca for entertainment.

Q: Were there any significant developments with Israel or was this a "cold peace", as it's been called?

HULL: It was stable. There were things going on. There were the disengagements and withdrawals from the Sinai. The MFO (Multinational Force and Observers), the peacekeeping operation, the non-UN peacekeeping operation. in the Sinai was doing its job and doing it well. You had the Taba first negotiations and then arbitration to resolve the issue of who would have Taba, which eventually was restored to Egypt.

Q: This is a small area, what is it in the Gulf of Aqaba?

HULL: Yes, it's near Eilat on the Red Sea, the sliver of the Sinai that Sharon and others had hoped to maintain after the peace agreement, but that was working out in Egypt's favor. During the Reagan Administration, there was not a great deal of effort to build Middle East peace so it was a bit of a period of stagnation in terms of the peace process, except for implementing the Egyptian-Israeli peace accords.

Q: Let's talk about the Achille Lauro. Would you explain what the Achille Lauro was and the situation and then about what you saw?

HULL: The Achille Lauro was an Italian cruise boat that was cruising in the Mediterranean in the early fall of 1985 and it was taken over by four terrorists from the Palestinian Liberation Front. Among the passengers on this boat were scores of American citizens so when the news of the hijacking took place, of course, all the embassies in that area of the Mediterranean were put on alert. We followed events very closely. Embassy Cairo, where I was then serving as deputy political counselor, became particularly involved when the terrorists finally decided to bring the boat into Egyptian waters which meant that the Egyptian authorities would have control of the boat, the terrorists and the hostages.

Q: And then how did this play out?

HULL: Well, Nick Veliotis was ambassador in Cairo at the time. Nick had been Assistant Secretary of State for Near Eastern and South Asian Affairs in Washington and had been more or less rewarded for that very, very difficult job by being named ambassador in Cairo. At that stage, Cairo was the largest embassy in the world so it was quite a prestigious position. Nick Veliotis was of Greek ancestry, an exuberant diplomat, and very, very shrewd. He knew Washington, and he knew the Middle East. He was very outspoken in his approach, and therefore he made a very striking contrast to Roy Atherton who had been the previous ambassador. I felt it was very hard not to like him because with Nick Veliotis you saw the man in full. I enjoyed working under him as I had enjoyed working with Roy Atherton.

We were in touch with Washington pretty much on a 24-hour basis because of the crisis, and we

were talking with the operations center and particularly with P (the office of the undersecretary for political affairs), specifically with Chris Ross who was then executive assistant for Undersecretary Mike Armacost.

As the boat headed toward Egyptian waters, we got an instruction from P, and they were to be very candid with the Egyptians: what we expected of them, and that included not only going to the assistance of the hostages, but arresting the terrorists and bringing them to justice either in Egypt or handing them over to the United States. I remember getting this instruction from Chris Ross in the wee hours of the morning going over to the residence and passing on the instructions to Ambassador Veliotis, who promptly called the Minister of Defense Abu Ghazala, the second most powerful man in Egypt at the time. Ambassador Veliotis conveyed our position with very strong language, laying down an unmistakable marker.

We were then of course, tasked to go to the aid of the hostages.

Q: What was the situation vis-à-vis the boat? I mean the ship. Was the ship coming in to Alexandria?

HULL: The ship was coming into Port Said.

Q: We knew it was coming in.

HULL: We knew it was coming in to Port Said. So Ambassador Veliotis asked me to accompany him to Port Said. I had a few minutes to pull my thoughts together which included such practical things as getting a list of the names of the hostages as we knew them and then we drove up to Port Said. We had a very good honorary consul there, Hassan Fathy, an Egyptian whom I had worked with before. He did a very good job of linking us up with the governor and then the security authorities, who quickly arranged to transport us to the boat. So we actually met the boat at sea in Egyptian waters before it was able to come into Port Said. I remember it was during the night and the seas were relatively high making the transfer from the small boat to the big passenger liner somewhat difficult. Finally we got onboard, and we found a traumatized crew and passengers.

Q: Were the Egyptian military, were somebody on board? You weren't just boarding it with the hijackers?

HULL: The hijackers had already been removed from the boat so we were going on and we had Egyptian authorities on board, but the crew was basically back in charge of the vessel at this time.

The first thing we did was to verify the well-being of the American citizens onboard. It was early morning and the passengers were asleep in their cabins. I had my list of American passengers, so I systematically went around knocking on cabin doors and checking off any Americans from that list. I found all but one passenger. Meanwhile, Ambassador Veliotis had engaged with the crew, who didn't have a lot of English, but who were by gesturing and pantomime explaining to us that something had happened. That something was that Leon Klinghoffer, an old and infirmed

American, had been killed by the terrorists. He was in a wheelchair at the time and his body had been dumped over the side. The crew took me to the location, and you could still see on the side of the vessel bloodstains from where Mr. Klinghoffer's body had struck the side in going overboard. His wife was there. She and the other passengers confirmed the account of the crew, and we knew that we had a very difficult situation because not only did we have the problem of taking care of the hostages, but now the Egyptians were really on the spot because the hijacker who had been taken into custody were now clearly guilty of murdering an American.

On the way back to Port Said, my primary mission was to try to take care of the hostages as best I could and that meant trying to give them assurances that now they had U.S. government representatives there to help them, that their needs would be taken care of, that Klinghoffer's murder would be pursued. Of course, they were highly emotional and also recovering from the period in which they were held helpless in mortal terror. One thing that I decided would be good to do to fill the time would be to have all of them sit down with pen and paper and to write out an account of their experiences. That would give something written for the Egyptian investigators. It would also give the passengers something to do as we were steaming toward Port Said.

Meanwhile, Ambassador Veliotis was in touch with the captain, and as we came into Port Said, the Ambassador spoke over the ship-to-shore phone with Egyptian officials. I believe it was with Defense Minister Abu Ghazala. In no uncertain language, he reminded him that Egypt was responsible for bringing these terrorists to justice and used expletives in so doing. Ambassador Veliotis had no idea that this call was being monitored by the media, but it was. It was on an unclassified system and so his salty language was carried in the media and caused great consternation in Egypt and probably elsewhere in the Arab world. But Ambassador Veliotis had given fair warning and was now accurately predicting the action that would happen in Washington with confirmation of an American citizen's death.

When we finally got in Port Said, Ambassador Veliotis made his way back to Cairo to manage the crisis which now was in full swing in Egyptian-U.S. relations. I was asked to stay with the hostages, and at this stage we were joined by the regional psychologist from the embassy. We were bussed to a military airbase outside of Cairo and boarded a C-130 to be flown to Germany for medical examinations. I accompanied the hostages.

In midair, we had news that American military aircraft had intercepted the Egyptian airplane that was taking the terrorists from Egypt to Tunisia, which at the time was the headquarters of the Palestine Liberation Organization. President Reagan had made the decision that we would so intervene and force the Egyptian airplane down at the U.S. Naval Air Station in Sigonella, Sicily. This interception caused even greater consternation back in Cairo.

We were diverted from Germany to Sigonella to give some of the hostages the opportunity to identify the terrorists and that process took place at the military. While this process was being done, many of us were outside in a waiting area. We were joined there by the team from the Special Operations Command (Socom) which had been shadowing the Achille Lauro at sea. So, we had an interesting situation in which the hostages, the terrorists, the U.S. special operations personnel and U.S. diplomats were co located and to some extent, could discuss the incident. At that time, I learned that special ops team had been prepared to storm the vessel. The hostages on

hearing of this plan to storm the vessel expressed relief that it had not occurred. The hostages had been separated into different groups. The hijackers were with those dispersed groups, had automatic weapons and had radio contact. At least some of the hostages believed that if the storming had occurred, the hijackers would have opened up with automatic weapons, and there would have been many casualties.

The next move came from the Italians. Balancing their diplomatic interests as they saw them and knowing that this was a highly sensitive subject in the Arab world, the Italians decided to move the hijackers to Rome out of American custody. General Steiner who was commanding the special operations forces insisted on accompanying the hijackers. When the Italians refused, he ordered his small jet to take off from the base without clearance and he flew over, just over, the heads of the Italian authorities and directed his airplane to Rome. His concern was well founded because eventually the Italians did release Abu Abbas, who was not among the hijackers of the Achille Lauro, but who had come to Italy to meet with his men who had been hijackers and who was responsible with commanding the operation. So this caused a great stress to U.S.-Italian relations as well.

After I had handed the American citizens over to doctors and psychologists at Sigonella, I was pleased to return to Cairo and did so to find that a diplomatic firestorm was taking place. The Egyptians were outraged, especially by the interception of the Egypt Air flight. The Egyptians believed that they had done a service to the U.S. by arranging for the hijacking to end without further loss of life.

Q: Had they known at the time that Klinghoffer had been killed?

HULL: It was not clear that they knew at the time. We, the American Embassy, did not know at the time. There were media reports that a hostage had been killed but those were unconfirmed reports. In his conversations with the Defense Minister, Ambassador Veliotis clearly laid down a marker that we wanted the terrorists held responsible and specifically mentioned that if any Americans had been killed or harmed that would be a very serious affair. Then from the boat, of course, we confirmed to the Egyptians that Klinghoffer had been killed, and therefore in taking their action of transporting or trying to transport the hijacker to Tunis, the Egyptian government was acting with knowledge an American had died.

Q: Just to get the chronology link, Veliotis had informed the Egyptian authorities Klinghoffer had been killed before the Egyptians had allowed the Egypt airplane to take off.

HULL: I'm not sure that it was before they allowed the Egypt airplane to take off, but in any case the terrorists were still in Egyptian custody while in flight. So they had the possibility of either keeping them in Cairo or turning the plane around.

So, there was a diplomatic firestorm in Cairo, and the Egyptians needed a scapegoat. They could not or would not make President Reagan or Secretary Shultz the scapegoat and so Ambassador Veliotis became the scapegoat. Ambassador Veliotis was particularly castigated for the language he had used when the Achille Lauro was approaching Port Said. It had been salty language. Ambassador Veliotis took this scapegoating with great professionalism, even stoicism.

I never heard him complain, I never heard him fault Washington, but at the end of the day it was the ambassador who was forced to leave Cairo prematurely and pay the price of the diplomatic crisis.

Q: Something like this with the embassy and all this is not one of these things where you could say, "Well, you know, it's one of those little tiffs" or something. It must've affected you all, to be mad as hell at the Egyptians for doing that.

HULL: I think there was a very strong feeling on the part of Americans in Cairo, certainly those of us involved directly with the hostages. But we had in Ambassador Veliotis an example of how we were to conduct ourselves and that was to be professionals and to carry on with our mission.

Q: How did you judge the reaction in Egypt? Did they see the enormity of what the hijackers had done? Or did it fall into Arab support of Arabs?

HULL: Well, of course, you have to remember that at this time there were lots of acts of terrorism going on in the Middle East and this was not the only one. It was the only hijacking of a vessel at sea. The Arabs viewed these incidents against the background of the Palestinian issue and attempts by the Palestinians to draw world attention to their cause and therefore, there was a great sympathy in Egypt and throughout the Middle East.

One footnote I would like to add here. I didn't really understand how closely Washington was following the whole business until later when I received a letter from Secretary of State Shultz. This was in early December. Secretary Shultz had read reports of the operation and of our efforts on behalf of the hostages and had taken the time and trouble to send a letter to me. It's one I'm very proud of.

"December 4, 1985

Dear Mr. Hull,

I was pleased to read the accounts written by (embassy doctors) concerning the activities of the embassy team that responded to the victims of the Achille Lauro hijacking. Both of the doctors commented on the excellence of your performance in alleviating the distress of the hostages and expediting their departure from the ship. Quotations from these reports best portray your efforts:

"He expertly reinforced the image the ambassador presented by being open, communicative, stable and caring. He was superb as he worked quietly and diligently in taking care of everything from the mundane to the diplomatic."

Your performance meets the highest goals and traditions of the Foreign Service. I commend you for your work in this tragic situation.

Sincerely yours,

George P. Schultz”

I think this was indicative of Secretary Shultz and the attention and care that he took with the Foreign Service in appreciating our efforts and in going out of his way to recognize those efforts.

DAVID J. DUNFORD
Economic Counselor
Cairo (1982-1985)

Director, Office of Egyptian Affairs
Washington, DC (1985-1987)

Ambassador Dunford was born in New Jersey and raised in New Jersey and Connecticut. He was educated at the Massachusetts Institute of Technology (MIT), Stanford University and the National Institute of Aerospace Technology of Spain. Entering the Foreign Service in 1966 Mr. Dunford became an economic, commercial and trade specialist serving in Washington, Helsinki, Cairo (Economic Minister-Counselor) and Riyadh (Deputy Chief of Mission). In 1992 he was appointed Ambassador to Muscat, where he served until 1995. Ambassador Dunford was interviewed by Elisabeth Raspolic in 2006.

DUNFORD: Now, are we ready to transition to Cairo?

Q: Sure, whenever, yes.

DUNFORD: That was interesting because of course I had never been to the Middle East. In fact, during the ‘70s I remembering pronouncing to all that would listen that there were three things that I wanted to have nothing to do with: ice hockey, arms control and disarmament (when I was in Helsinki they had the SALT (Strategic Arms Limitation Talks) talks where they talked about missile throw weights and stuff like that), and finally the Middle East peace process because it just seemed mired in so much detail and much of it counterintuitive.

When I started looking for assignments, I actually had an offer to be economic counselor in Brasilia, which I thought was great. The problem was my wife had no enthusiasm for Brasilia. She had not been; I had. How bad can a city with a million Brazilians be? So I was ready to go but she said isn’t there anything else? So, I made a mistake, I went back to the Department and asked is there anything else? They said Cairo was open. It was a senior job and I guess they either did not have any senior bidders or they did not have enough senior bidders. Arnie Raphel was in NEA at the time. When I mentioned Cairo to him, he practically frog marched me into the NEA front office where two deputy assistant secretaries sat down and talked to me that day. I told my wife about the possibility of Cairo and she said when can we go? Sandy went to high school in Tehran so she had a feel for the Middle East that I did not. Her father was an oil company executive, oil economist for the Western consortium that ran Iran’s oil fields in the ‘60s and ‘70s. So we went to Cairo. We had two children and two dogs, so moving to Cairo was more

than a little complicated.

Q: Was your wife planning to work there?

DUNFORD: She needed to finish her CPA practice. You have to do two years of practice to get your credential and she had only done about one year and nine months. She agreed to go anyway but we tried ahead of time to hook her up with one of the then Big 8 accounting firms, Peat, Marwick, International. Sandy immediately took to Cairo. She loved it. She would drive downtown and, when there were no parking spaces, park in the middle of the street and lock the car and drive people crazy. She actually finished her CPA requirements and ended up working for USAID (Agency for International Development) in the controller's office. She later went to work for the Library of Congress. She did accounting for the Library of Congress which had a book buying office in Cairo. So she kept pretty busy.

Q: No, that is great because as you know it is always a problem for spouses to find employment in their field and this seems to have been a very successful instance of that.

Well, what was it like being economic counselor and minister in-

DUNFORD: Minister Counselor.

Q: Minister Counselor, there you are, in Cairo?

DUNFORD: With the help of Bob Hormats I made the case for the more exalted title. My thought was that it would help me stand up to the aid director. The Economic Section in Cairo was not big but we had some superb people. Shaun Donnelly, who worked for me in ODF, agreed to come work for me for two years. Mary Gin Kennedy was already assigned to the section.

Q: Oh, Mary Gin.

DUNFORD: Mary Gin was just a dynamo. And Shaun, as you probably know, is very, very bright. Liz McKune who later became my deputy chief of mission (DCM) in Oman was in the section.

Q: I know the name, I do believe I have ever met her.

DUNFORD: She went on to be ambassador in Qatar. We were essentially a section of four. We did a lot of good work and Egypt was huge in terms of U.S. economic interests because we had a very large USAID program.

Q: The largest one in the world, was it not?

DUNFORD: The largest one in the world. The challenge was basically going toe to toe with the AID director who was obviously the most senior AID director anywhere in the world. Initially, Don Brown was the director, someone I had great respect for. I think Don finally came around to

have some respect for me, which was not easy. Roy Atherton was our ambassador and Henry Precht was the DCM. Henry was, I believe, Iran country director when Iran fell. As a result of that, he was unlikely to be confirmed as ambassador so DCM in Cairo was about as far as he could go.

Q: Well this was several years later, actually.

DUNFORD: Sure.

Q: I mean, this was literally one year after the hostages.

DUNFORD: Henry was terrific, a tireless worker; Roy Atherton was a great ambassador. He knew how to work a room in 20 minutes and make people remember that they had talked to him for most of the 20 minutes; he was just a master. And of course they were interesting times. The first week I was in Cairo, the Israelis took out the Osirak reactor in Iraq.

Q: You were there a week when this happened?

DUNFORD: Not even a week. I got there about June 6 and I think it happened on the 7th. And of course on October 6, 1981 Sadat was assassinated. I was in my home in Maadi and we got a phone call that we should all come to the embassy.

Q: The entire family or-?

DUNFORD: No, just me, just the country team. Roy Atherton was at the military parade where Sadat was assassinated and the defense attaché was there with him. I do not recall if any others from the Embassy were there. I drove into Cairo and tried to figure out what was happening. I remember driving the relatively empty streets of Cairo wondering whether the assassination of the president was going to lead to anything else. It was several hours before we realized that Sadat had died; initial reports from Abu-Ghazallah, who was the defense minister, were that he had been taken to the hospital and he was okay.

Q: Was the ambassador back at the embassy when you were meeting there or was he still-?

DUNFORD: He got back there as we were meeting. I believe he had some security.

Q: I am sure he did.

DUNFORD: So they got him out and got him back to the embassy. There were people killed other than Sadat, including the Omani military chief of staff. Others on the stand were badly wounded.

Q: The assassin was killed or picked up right then and there or was there a chase that ensued or how did this play out? I do not quite remember.

DUNFORD: I believe he was captured on the scene because he had just jumped off a military

vehicle. I think there might have been more than one assassin. They came and just sprayed machine gun fire at Sadat. (Now President Hosni) Mubarak was sitting right next to him but was wounded only in the thumb. The first time I met Mubarak, he still had a bandage on his thumb.

I had a chance to meet Sadat a month earlier. I went with Don Brown, the AID director and the ambassador as the note taker. Peter McPherson was then the AID Administrator; his visit was the occasion for meeting with Sadat and it happened in Alexandria. Sadat was a very interesting man. He was like a Shakespearean actor in some ways, greeting the ambassador as “Roy” in a booming voice. When he was talking politics he was very animated and very eloquent. When it was time to talk economics with the AID administrator, his demeanor was much more restrained. Economics did not interest him a whole lot.

Q: _____ counselor.

DUNFORD: Well, I just went as the note taker. But I am delighted I had a chance to meet him. Sadat was so popular in the United States and so unpopular in Egypt. I remember seeing him on Egyptian television, in Arabic, giving a seemingly endless speech and sweating because I am sure the air conditioning was not working well.

Q: Well Mrs. Sadat certainly became a personality in her own right. I guess the focus was more on her, certainly after her husband's death, but she was quite close with Rosalynn Carter, I believe, and ended up on the faculty at AU, American University.

DUNFORD: Again, while she was very popular in the United States, the fact that she was so prominent in Egypt was considered an affront by many.

Q: Oh, this was not the appropriate role for the wife of a-

DUNFORD: I think she - I am trying to remember - she received her graduate degree or she defended her dissertation and it was televised in Egypt. This was not considered right by the Islamic types who, in those days, were not as prominent as they became.

Q: I was going to ask was there a very common or well known fundamentalist subsection of the society.

DUNFORD: I was so new to the region, and so focused on learning the economic side, that I did not pay enough attention in those days. But I recall that the run up to Sadat's assassination included a lot of fighting between Copts and Muslims and Sadat rounded up-

Q: Cops and Muslims?

DUNFORD: Copts, Coptic Christians.

Q: Oh, oh thank you. I thought cops.

DUNFORD: Yes, Copts, C-O-P-T-S, Coptic Christians.

Q: Okay.

DUNFORD: Sadat rounded up 1,500 Muslim leaders or agitators or whatever he called them, and a number of the Copts as well, including Coptic pope, Shenouda. All were stuck in prison I guess for at least a cooling off period and one of the 1,500 was the brother of the assassin. So there clearly was a lot of sectarian strife in Egypt.

Q: What about the role of women at the time? I mean, was it difficult for your wife, for example, to work, although I must say she was working for the United States Government so it would not be that difficult

DUNFORD: Egypt was a much more relaxed place than it became so there were very few women who wore the hegab, the headscarf. Almost none completely veiled, although maybe some visiting Saudi women were veiled. Egypt was, at least on the surface, a very secular society. Western woman did not walk around in halter tops or anything like that. They dressed modestly but there was no veiling or scarfing or anything like that unless you went into a mosque.

Q: Did Cairo merit its reputation of having all the Gulf, well princes or what have you, the senior personnel, the Gulf coming to Cairo and letting their defenses go down, they were sitting around in the Hilton bar drinking or whatever, things they would not do at home, or could not do.

DUNFORD: I am sure there was some of that but it certainly did not-

Q: I have always heard of this so I was-

DUNFORD: -cross my screen. There is a lot of that in Morocco and Lebanon and Cairo to a certain extent. When I went back to Cairo in '97 it was quite evident, a lot of Gulf Arabs came there to let their hair down.

Cairo was a dirty, dusty, noisy place and I did not adjust instantly to it. It took me about six months before I finally began to enjoy the place.

Q: What was the American community like? Your children were in the American school out in Ma'adi?

DUNFORD: Yes.

Q: It was quite a good school as I-

DUNFORD: Very good school! CAC, Cairo American College, was about half American, half other nationalities, including some Egyptians, and good facilities. The American school tended to be the center of the American community especially for those of us with children. I am sure there were other Americans who did not pay any attention to it at all. We made a lot of friends

there, some of which we still have today. We had a wonderful house; so nice that it has been turned into the American Embassy Club now in Cairo. Because we had the largest yard outside the ambassador's, we agreed the Embassy could build an embassy tennis court on the property. That was fine with me since I played tennis.

Q: You were there, did your assignment coincide exactly with Ambassador Atherton's or were you there for another ambassador, Ambassador Veliotis, I believe?

DUNFORD: Yes, Nick Veliotis came a year before I left, maybe a little less than a year before I left.

Q: Was there a noticeable difference in style or emphasis?

DUNFORD: Yes. But both were very classy people. Nick liked to play a lot of tennis. I remember shortly after he arrived, he called up and wanted to use the tennis court. I had to tell him there was a sign up system. I did not know if the tennis court was available; it was not my job to know whether it was available or not.

Q: Did he recover?

DUNFORD: He did.

Q: Your career did not go up in flames?

DUNFORD: Well, it goes back a little before that. When he was still assistant secretary of state he came out with Al Haig, who was then secretary of state, and they wanted to play tennis. So Henry Precht, the DCM, recruited me and the station chief at the time to play tennis with our distinguished visitors. Well, Al Haig had a weak backhand so we just worked his backhand and beat them three straight sets. The third set actually made them late for Haig's meeting with the foreign minister. But Nick Veliotis was very competitive and he did not forget. One of the first things he did when he got to Cairo as ambassador was to schedule a doubles match with me and the station chief. He found a different and more skilled partner and beat us fairly convincingly. After that Nick was pretty relaxed about our relationship.

Q: Was this Haig's first trip to the region? Or probably not now that I think about it, because I think he went out when Atherton was still there.

DUNFORD: Yes, Atherton was the ambassador at this time because Nick Veliotis came out as the assistant secretary.

Q: Oh, yes, as assistant secretary. Well, that may have been his first-

DUNFORD: Kamal Hassan Ali was the Egyptian foreign minister so it was probably late '81, early '82; I am not sure.

Q: So you stayed in Cairo how many years?

DUNFORD: Three years.

Q: So a normal tour. Did you, at the end of three years and your first assignment in the Middle East think this might go on to other things or was this a flash in the pan kind of assignment?

DUNFORD: When I first went there I was skeptical but after I was there a while, I kind of liked the Middle East. I should tell you the moment that I decided I liked the Middle East.

Q: Oh yes.

DUNFORD: A guy named Niazi Mustafa, a very prominent businessman, invited us out to his farm and it was a fairly long drive through the countryside. As often happens, we stayed too late. Niazi encouraged us to stay later than we should have and we had to drive back in the dark. And driving in Egypt can be pretty tense at any moment but in the dark it is really messy because the roads are just filled with people and goats and chickens and water buffalos (*gamusas*) and-

Q: And no lights.

DUNFORD: No lights. So I am driving back and I am tired and we finally get to Cairo and we go across the bridge to the far side of the Nile because we lived on the east bank and we were coming from the west. I needed to get into the right hand lane to turn south to go to Maadi, the suburb where we lived. This pickup truck drove over the sidewalk to take the space I was trying to get into and I just started to curse, in English, and shook my fist at the guy. He looked over, somewhat bemused, at me and finally he tipped his baseball cap and gave me a big smile. I started to laugh and I never had a problem in Cairo after that. This was my introduction to the concept of ma'alesh. It is more an idea than a word and there is no easy translation. It is the recognition that, in the greater scheme of things, the annoying thing that just happened is really insignificant.

Q: Which brings me to another question; how was your Arabic? And did the Department see fit to see fit to send you to Arabic training or how did that-?

DUNFORD: I had no Arabic, had never been to the Arab world, and was given no Arabic training. The Department taught me Spanish and Finnish and I guess that fulfilled their obligation. I was working for USTR up until the Friday before I left Washington and there was really no opportunity for language training. When I got to Cairo I scheduled an hour a day in the Embassy language program and continued to learn along the way.

Q: Well, Arabic in Foreign Service terms is a two-year training program in itself.

DUNFORD: While my Arabic has never gotten fluent, by the time I left Oman in 1995, I was able to give my farewell speech to the diplomatic corps in Arabic. Of course, I worked very hard on it with a language instructor but I was able to read from a page in Arabic which I thought was good.

Q: That is pretty impressive.

DUNFORD: But it was hard work and I often felt the lack of the language. I mean, in most cases you were dealing with people who would speak English, but having spoken Spanish in Ecuador and Finnish in Finland I felt a little naked sometimes.

Q: Was there anyone in the economic section who had an LDP position, a language designated position? Or they just did not spread them that far?

DUNFORD: I do not think so. I think all of the Arabic speakers were in the political side. Shaun certainly did not. Shaun was replaced by a guy named Bruce Duncombe. Bruce was a great economist but I do not believe he spoke Arabic. Liz had some. Her husband Ken was an Arabist. I do not think Mary Gin had much Arabic.

Q: Was Ryan Crocker the political counselor at the time?

DUNFORD: No. Tom Carolan was the political counselor. Mark Hambley, a great Arabist, was there. Edmund Hull was there.

Q: He came before Ryan or after Ryan? It must have been after.

DUNFORD: I remember that Ryan was in Lebanon during that period. I do not remember him being in Cairo. Well, he must have been in Cairo at some point but not with me. I only met him later.

Q: You went from Cairo to senior seminar. Was that something you had hoped for or did this come-

DUNFORD: Oh, there was an assignment in between.

Q: Oh, it is December 5, 2007. And this is a continuation of the oral history project interview.

So, Ambassador Dunford, I think when last heard from we were talking about you being transferred to the Office of Egyptian Affairs as director in the Department of State. Do you want to talk about some of the events? It was a rather tumultuous time, as I recall, so perhaps you could talk about some of the events that took place.

DUNFORD: It was busy. As I recall each day was full. This was for me a transition from being an economic-commercial officer to what we call a program direction; it was my first chance to really get into issues outside the economic realm. I had good training before I left Cairo from Henry Precht, my DCM, as well as two excellent ambassadors in Cairo, Roy Atherton and Nick Veliotis. I remember I traveled to Jordan, the West Bank and Israel at Department expense to orient myself to the issues.

Q: Before you went back to Washington?

DUNFORD: Before I went back to Washington; this was very useful. The first day on the job - I had some leave in the States - we learned that Libya had mined the Red Sea and the Egyptians asked for help, military assistance, in demining the Red Sea off their coast. I can remember being in the office until about 9:00 at night the first day. This came as a rude shock to my wife. I had two children in high school, and the rules were that I had to be home by 7:30 in the evening. I could get away with 7:40; any minute after that I was in deep trouble. It was hard to get away from the department because people stayed late as a habit even when there was no necessity.

Q: Oh, it is- I think you are quite right. It is a prime example of the difficulties of senior management people in the department who would also like to have a family life and the two do not blend very easily; it is very difficult. I admire you if you could try and get home by 7:30 or: 40.

DUNFORD: Well, my wife made it clear.

Q: So you did succeed, Defense came in and helped with the demining?

DUNFORD: Yes. I remember that first day was kind of a crisis but then the U.S. Government agreed to help and I do not remember hearing too much about it after that.

The first year was quieter than the second year. The first year there were a lot of economic issues, getting a \$500 million supplemental through Congress which required a lot of hard work on justifying Egypt's economic needs and economic policies. The first year was also interesting because there was a shift in Egyptian ambassadors. Ashraf Ghorbal, who had been Egyptian ambassador in Washington since biblical days, finally retired. Abdel Raouf al-Ridi succeeded him. There were endless farewell parties and endless meetings to introduce the new ambassador around town. I kept busy just attending the meetings in the State Department. Each meeting in the State Department, of course, required a briefing paper.

Q: Sure. And the Egyptian account, it really at any time during the past umpteen years has been a very serious account so.

DUNFORD: It was a very interesting time. The Office of Egyptian Affairs was made up of five people working solely on Egypt. We had a deputy director who was also the peace process officer, a political military officer, an economic officer, and a junior officer who did all the consular stuff and anything else that needed to be done. It was a good office in a good bureau. NEA at the time was probably at its peak influence. Dick Murphy was the assistant secretary and Arnie Raphel was the senior deputy. Bob Pelletreau was my boss initially, followed after a year by Rocky Suddarth.

Q: Quite a good group.

DUNFORD: Adjusting to the transition between bosses was a little rough but we managed.

David Greenlee was my first deputy and Dan Kurtzer, who went on to be ambassador to Egypt and Israel, succeeded David during my third year in the office.

The second year we had crisis after crisis. I spent as much time in the Op Center, the crisis task force room, as I did in my own office. We had the hijacking of TWA 847. I remember being on the task force the evening that they killed Robert Stethem, the Navy Seal, and threw his body out on the tarmac at Beirut Airport. The hijackers also led away all the passengers with American passports and Jewish sounding names. That was pretty scary. That crisis went on for about a month, I think.

Then that was followed by-

Q: Was that crisis handled by your office only? Was the NSC involved? Were other players in there?

DUNFORD: There definitely were other players. The State Department set up the task force. State Department task forces were a lot more robust and powerful in the '80s than they are today. I participated in 2003 in the Iraq task force and we did little besides monitoring the news and writing sitreps (situation reports) for the Op Center.

Q: But 20 years before-?

DUNFORD: 20 years before the secretary would call the task force director and undersecretaries would come in frequently so we really felt like we were part of the action.

The second task force was set up by NEA to manage the hijacking of the Achille Lauro (an Italian cruise ship). I was part of the task force. Virtually everybody in NEA pitched in, taking shifts. The Achille Lauro was hijacked off the coast of Egypt. The hijackers rolled Leon Klinghoffer in his wheelchair off the deck.

Q: That is alright because I am afraid that something will. So they rolled his wheelchair off.

DUNFORD: They rolled his wheelchair off the deck. The hijackers were let off on Egyptian soil. The Egyptians tried to smuggle them off to Tunis where PLO (Palestine Liberation Organization) headquarters were located. Ollie North, then in the White House, masterminded the operation to intercept the aircraft and force it to land in Italy. This was very embarrassing to the Egyptian Government and led to a major crisis in Egyptian-U.S. relations.

Q: What was their thinking in trying to get these people to the PLO, just sort of to get them off the Egyptian radar or they did not want to be responsible for a trial or any of that?

DUNFORD: The whole peace treaty with Israel was difficult for the Egyptians; it was not terribly popular among the Egyptian population. The other Arab countries ostracized Egypt. In 1984 the Jordanians had restored relations with Egypt but Egypt still did not have good relations with the Arab world and to be seen helping the Americans round up PLO hijackers would have embarrassing to the Egyptian government. They wanted to make the issue go away by turning

them over to the PLO. The Egyptian line was that they were turning them over for trial by the PLO themselves, but of course that was not satisfactory to our government. John Whitehead, who was then deputy secretary, made a visit to Egypt to try to patch up the relationship. Congress was outraged at Egypt's behavior so our office had quite a bit of clean up to do.

That same fall terrorists, Palestinians (representing Abu Nidal), hijacked an Egypt Air airplane and landed in Malta.

Q: From where? From Cairo?

DUNFORD: The plane was on its way to Cairo. The pilot was running out of fuel and had no choice but to land in Malta with the hijackers in control. A new crisis task force was established. Bob Oakley, then counterterrorism ambassador (S/CT) and I ran that task force. The crisis did not end well. The Egyptians sent a military unit to Malta which stormed the plane. When the smoke cleared, a number of passengers were killed along with most of the hijackers.

Q: I am sure it did not do much for the Egyptian-Maltese relations either.

DUNFORD: Perhaps not. I do not remember worrying much about that.

Q: Yes.

DUNFORD: The following year, 1986, one of the big events was a riot by Egyptian police that led two or three days of total disruption. The American school in the southern suburb of Ma'adi was cut off for at least hours, maybe more than a day. That was a short-lived crisis but a crisis nonetheless.

In between all of these crises we had ongoing issues with the Egyptians, one of the most important being their military debt. In the early years of providing military assistance to Egypt we did it by loan rather than grant as we do now. Egypt thus accumulated billions in debt which they had difficulty servicing. It was an issue that had to be managed. It never went away until 1990 when Egypt joined the coalition against Saddam and we forgave the debt. Egyptian economic reform and our AID program were also ongoing issues. Egypt then had the biggest U.S. aid program worldwide. Related issues which took up a lot of our time were Egypt's relations with the IMF and the World Bank

Along with all of the above was the issue of Taba. Taba is a little resort town in the Sinai. When Egypt and Israel signed a peace treaty in 1979, Israel agreed to return all the Sinai to Egypt in stages. Israel agreed to return the first half, the half nearest the Suez Canal, in '79, and the second half in 1981. But they did not return Taba and the Israelis came up with some kind of legal argument - it seemed like flim flammery to the rest of us - that Taba really belonged to Israel even though in 1948 or 1967, they made no claim on it.

Q: Taba was a city, a port city or an area?

DUNFORD: Taba is on the Red Sea, very close to Eilat and Aqaba.

Q: Okay.

DUNFORD: Israelis were building, in those days, a five star Sonesta hotel. There was also a beach village so Taba was a popular place for Israelis to vacation. I can only speculate on Israeli motives. There were probably some economic interests of people close to the government and the Israelis also saw Taba as an opportunity to demonstrate, to Egypt and to the world, that it was not necessary to give back every inch of territory to satisfy the requirements of UN Security Council resolutions 242 and 338. I also think the Israelis wanted some kind of leverage over Egypt to prevent Egypt from using the bilateral relationship as leverage to get the Israelis to be nicer to the Palestinians. Whatever the motives, Israel claimed Taba and, under the peace treaty, the dispute had to be resolved by conciliation or arbitration. The discussions continued until 1986 when, with our participation, the Egyptians and Israelis agreed to arbitration. The Egyptians would not hear of conciliation and the Israelis wanted conciliation instead of arbitration. The discussions came down to the most miniscule issues concerning how to characterize the location of boundary pillars. The process of how to choose arbitrators was another sticking point. We eventually got the two sides to exchange lists indefinitely until finally the same name showed up on both lists.

Q: And it was through a third country national sort of, not-

DUNFORD: Yes, yes. They were Europeans.

Q: Was the UN involved at all?

DUNFORD: No.

Q: Not at that point, no.

DUNFORD: The Israelis have never been very happy with UN involvement in virtually anything. It was the summer of 1986 when this whole issue came to a head. I can remember having to go in to the Department for 17 straight days, including Saturdays and Sundays. Even though my deputy director did most of the work, I had to be there.

Q: Where was the negotiation- where were the negotiations going to take place?

DUNFORD: They took place in Cairo or Jerusalem or Washington or wherever the three sides could get together. There was a lot of input from the State Department lawyers, I remember.

Q: So your time as the director of Egyptian affairs was not a slow time.

DUNFORD: No, it was very active. It was also a very satisfying place to work because of the quality of the people I worked with. Phil Wilcox was director of Israeli affairs. April Glaspie was director of ARN, which was the country desk for Jordan, Syria, Lebanon.

Q: Absolutely; first rate people.

ROBERT M. BEECROFT
Political Officer: Egypt-Israel Relations
Cairo (1983-1985)

While Ambassador Beecroft served as Political Officer at a number of posts in Europe, Africa and the Middle East, his primary focus was on Political/Military Affairs, both in Washington and abroad. Later in his career he served as Special Envoy to the Bosnia Federation and subsequently as Ambassador to the Office of Security & Cooperation in Europe (OSCE) operating in Bosnia & Herzegovina. A native of New Jersey, Mr. Beecroft served in the US Army and studied at the University of Pennsylvania and the Sorbonne in Paris before joining the Foreign Service in 1967. Ambassador Beecroft was interviewed by Charles Stuart Kennedy in 2004.

Q: In '83, whither?

BEECROFT: I had bid on Oslo, as the political-military officer. I speak Norwegian. My wife is first generation Norwegian-American. Embassy Oslo wanted me, and said as much to State. But the Department of State, in its infinite wisdom said, no, we think it's time for you to see the world. So off we went to Cairo. It was for me personally and professionally a real turning point. In retrospect I'm glad it happened, but at the time it seemed like a really weird thing.

Q: You were in Cairo from when to when?

BEECROFT: I was there for two years, '83 to '85.

Q: What were you doing there?

BEECROFT: I was the Egypt-Israel officer in the Political Section.

Q: Let's go back, had you had any Middle East experience?

BEECROFT: Zero.

Q: Because this is an extremely tricky thing. I would have thought there would have been people standing in line who had served in garden spots like Sanaa.

BEECROFT: Go figure. I think some of it had to do with the fact that Roy Atherton had heard of me, I don't know how, and that his wife Betty, who was a very strong influence, knew my wife, Mette.

Q: She was madam ambassador.

BEECROFT: As I said, she knew my wife.

Q: She had her own office.

BEECROFT: Yes. She had her own office in the Chancery, which one day literally collapsed into the bathroom downstairs -- no, the bathroom upstairs collapsed into her office. Anyway, in the summer of '83 we went off to Egypt. We used to joke that it was an easy transition, because we went from a place where it always rained and everything worked to the exact opposite.

Q: So, how did you see American Egyptian affairs at that time in '83?

BEECROFT: Camp David was signed in 1978, and the Egyptian-Israeli peace treaty in 1979. My focus was on the bilateral relationship between Egypt and Israel. By 1983, it was clear that a chill was settling over the relationship. President Sadat died in '81 -- assassinated. It was Sadat who had been the driving force on the Egyptian side. His successor, Hosni Mubarak, didn't have the same investment, either political or emotional, in the process. The result was the so-called cold peace, which is still in effect. Egypt sees it as very much in its interest not to have problems with Israel, but neither are they going to bend over backwards one iota more than necessary to create a warm relationship. The Palestinian issue is a key reason. But so was Egypt's desire to get back on good terms with the rest of the Arab world after signing the peace treaty. You may remember that Egypt was suspended by the Arab League in 1979, and the Arab League moved its headquarters moved from Cairo to Tunis until 1989, when the suspension was lifted. That was another reason. Egypt always wants it both ways. And they receive over a billion, probably closer to two billion dollars a year from us.

Q: Because Camp David had set up the pattern of balancing, Israel gets so much, Egypt gets so much.

BEECROFT: Not quite as much.

Q: But still it's a very big subsidy.

BEECROFT: Nothing to sneeze at.

Q: I mean it keeps them quiet. Were you there, you must have been there, there must have still been the repercussions of the Israel invasion of Lebanon and Shatila and Sabra massacres.

BEECROFT: That happened the year before I got there.

Q: Yes, but I mean that must have been reverberating, wasn't it?

BEECROFT: Oh, sure. I mean it just reinforced the overall stereotypes, in the press in particular. The Egyptian press depicted Israel as not a desirable partner or somebody you wanted to get too close to, but Egyptians were happy to have Israeli tourists come to Egypt and spend their money, which they did -- as we saw only a few days ago, have continued to do. I'm referring here to the tragedy at the Hilton Hotel at Taba, Egypt, south of Eilat. We ought to talk about Taba. I was

involved in the negotiations that eventually returned that slice of land, with its Hilton Hotel, to Egypt. After the peace treaty, the Israelis left the Sinai in stages that had been carefully negotiated by Kissinger and his team as confidence-building measures. The idea was that Egypt would fill in as the Israelis moved out. But when the time came for the final withdrawal to the actual Israeli border in '79, the Israelis didn't withdraw from Taba. If you draw a line from Gaza southeast across the peninsula, it's straight as an arrow. Then, when it gets to this final ridge before reaching the Gulf of Aqaba or Gulf of Eilat, depending on which name you like better, it could go one of two ways -- either slightly north along one ridgeline or slightly south along the next one. The Israelis claimed to have discovered an old British or Ottoman survey map that showed the line bending south. Now, as coincidence would have it, the hotel had been built after 1967, and it was owned by Israelis, the discovery of the map was fortuitous from the Israeli point of view. Needless to say, the Egyptians raised holy hell. Several years later we brokered a long series of Taba negotiations that went on for several years. All this was about a pie-shaped slice of land about the size of Central Park, with the crust being the seashore. It took five years to resolve all the issues and return Taba to the Egyptians, with special access rights for Israelis. At one point, the Saudis got involved and proposed to buy out the hotel. I'm sure a lot of interesting money changed hands.

Q: We're talking about a hotel within a week or so a car bomb went right into the lobby drove in and blew up, killed over 30 people and it was linked to Al Qaeda. The Israelis have been going to that area, have all left it.

BEECROFT: They'll come back. This is basically an area that the Israelis themselves developed. Taba, Nuweiba, Dahab, all the way down to Sharm el-Sheikh and Ras Mohammed at the south tip, these were Bedouin villages developed as resorts under the Israeli occupation, and the Israelis still love it.

But let's go back to Cairo. Yes it was something of a stunning change from Bonn. For the first couple of months, while we were trying to find a place to live, we lived in the Ramses Hilton Hotel, a high-rise hotel along the Nile. I remember looking down on the roofs of Cairo, covered in trash, including the Arab League building next door, roof all covered in trash, and thinking with a good German perspective, wouldn't the Germans go nuts with this much trash? You soon begin to understand that the Egyptians take very seriously the fact that they've had 4,000 years of history and don't care to be told how to suck eggs by anybody, thank you, and that they have their own agenda and they do not see themselves as just Arabs like the others. The direct link to Egyptian history is real. You also have this interesting minority, the Copts. The word Coptic goes back to the Greek word *Gypt* -- the original Egyptians. Their liturgical language is derived from ancient Pharaonic Egyptian, and they're Christians. These are fascinating people. Boutros Ghali was a Copt. Boutros is Petrus; he's Peter. The two most common names in the Coptic community are Boutros and Morcos -- Mark. They have their own Pope, Shenouda IV. Whatever their true numbers, official Egyptian population statistics always show them at around ten per cent of the total.

Q: Yes, it's like old Lebanon when they always had made sure that they weren't going to be underrepresented, I mean a guarantee of representation.

BEECROFT: Exactly. This was for us an assignment of discovery and we were hooked. It was not always easy, but our son Christopher was at a boarding school in Connecticut our daughter Pamela was with us. We lived out in Ma'adi, which had been a British elite suburb and still had some wonderful plane trees and jacaranda trees that would turn great colors. Ma'adi was about a 45 minutes' drive south of Cairo, right along the Nile, and it was only that long because the traffic was so horrendous. It was a very busy time and we quickly learned that weekends didn't have to be Saturdays and Sundays. For us they were Fridays and Saturdays. The other part of the job, in addition to getting to know the people in the Egyptian Foreign Ministry and the presidency who covered Israel, was to get to know the staff at the Israeli Embassy -- which had only recently opened -- and the Israeli Cultural Center, which was far more effective in reaching out to Egyptians than the Embassy. The director of the Cultural Center was an professor named Shimon Shamir, and his wife Daniela, also an academic, was for all intents and purposes his co-equal. They reached out to the Egyptian academic community, which was not under the same strictures as much of the rest of society. Interestingly enough, almost a decade later, I helped the Israelis open their Embassy in Amman, and guess who the first ambassador was? Shimon Shamir. A marvelous man. He succeeded in a very low-key way in making the two parties more comfortable in talking with each other. That was not easy, but he and Daniela did it.

I also covered the so-called MFO, the Multinational Force and Observers, who patrolled the Sinai as part of the Camp David Accords. Drove all over the Sinai -- an amazing and often beautiful place, but watch out for the land mines.

Q: In your job, what were your relations with our embassy in Tel Aviv?

BEECROFT: I drove up to Embassy Tel Aviv periodically. My predecessor in Cairo had been transferred to Tel Aviv and we became counterparts and soon good friends.

Q: Who was that?

BEECROFT: Dan Kurtzer, who is now the Ambassador in Tel Aviv. Dan and I were in constant touch and we coordinated very closely. He came back to Cairo a couple of times while I was there. He loved Egypt, and served there as U.S. Ambassador before going on to do the same job in Israel. He was very successful in both posts, which speaks volumes about his professional skill and human warmth. I went to Tel Aviv and Jerusalem a half dozen times from Cairo. Perhaps you know about this funny relationship that exists there -- the American Embassy in Tel Aviv is not responsible for Jerusalem, the West Bank or Gaza. Our Consulate General in Jerusalem is, and the Consul General is, de facto, equivalent to an Ambassador.

Q: Did you run into any differences between our embassy in Tel Aviv and Jerusalem at this period of time?

BEECROFT: I can't say that they affected me, but the short answer is yes. This has been a subject of tension as long as the arrangement has been in place, and it's been in place since Israel became independent in the late '40s. Again, it's a Consulate General, but it's not subordinate to the Embassy. It's independent. The consul general is in effect our Ambassador to Palestine. As I'm sure you are aware, there are occasional initiatives in the U.S. Congress to transfer the

Embassy from Tel Aviv to Jerusalem, and they've been quietly turned aside by a whole series of Presidents, because if that happened we would in effect be prejudging the outcome of the peace process.

Q: How aggressive did you find the Egyptians on trying to take care of Egyptian Israeli relations?

BEECROFT: Not very. They saw it more as a holding action than anything else. By the way, when I went to Tel Aviv I always made it a point to call at the Egyptian Embassy. It was not exactly a beehive of activity. They saw it as necessary to maintain the cold peace, not to develop a closer and more active bilateral relationship with Israel. The Egyptians in Tel Aviv didn't see that as their job description.

Q: What about once the Sinai force was set in place and all was this, I mean this had almost run itself, were there any real problems there? Just every once in a while some individuals get too pushy or something like that?

BEECROFT: Even that didn't happen a whole lot. These guys knew when they had it good. The Multinational Force and Observers must be one of the great jobs in anybody's military. Once in a while a camel steps on a tank mine or, unfortunately, a vehicle may drive over one, but other than that kind of thing, the MFO's job is to keep anything from happening. It was established by the United States after the UN, in a of pique, decided not to extend its Sinai Field Mission. It's a successful coalition of the willing, including the U.S., Canada, Australia, Fiji, Colombia, France, Hungary, Italy, New Zealand, Uruguay and Norway. It oversaw the withdrawal of Israel from the Sinai, and since then it polices or patrols the Sinai to help stabilize the Egyptian-Israeli relationship. It's still operating to this day.

Q: When you ere there, were you looking at the other Arab countries trying to screw up the relationship between Egypt and Israel or not?

BEECROFT: Not overtly. I can remember even then being at Cairo airport to meet people and seeing literally hundreds of people, Egyptians working in the Gulf, coming back with their television sets and refrigerators. At that point, even 20 years ago, the Gulf was a place for Egyptians to go and work because there weren't enough jobs at home, and there still aren't. Occasionally Qadhafi would prove a nuisance and make trouble on the Western border that would spin the Egyptians up, but it never amounted to much. No, Egypt has always has seen itself as being in a class of one.

Q: How did we view Mubarak at this time? He was pretty, I mean he'd been vice president and fairly new on the scene.

BEECROFT: That's right. We generally viewed him as somebody we could work with, and we did work with him. We had congressmen and senators coming to Cairo all the time. I'm trying to remember whether Schultz ever came when I was there. I don't think he did, but other high-ranking people did come. Assistant Dick Murphy was there frequently. I remember Teddy Kennedy and Dick Lugar coming on a visit. The general feeling was that we had lost a man we

respected, Sadat, but Mubarak was turning out to be all right. Then and now, he keeps a heavy hand on the political process. The Egyptian Parliament was very subservient. The press was subtly but indisputably under control. There's no doubt as to who was in charge. It was true then and it's true now.

Q: How about the universities? Were they I mean you've got two things. One sort of a Marxist thing, but the other one, Islamic fundamentalists. How did we see that at the time?

BEECROFT: Islamic fundamentalism was not nearly the issue that it is now. Cairo is home to Al-Azhar University, which is also the closest thing to the Vatican in the Sunni Muslim world. It's the oldest operating university in the world -- goes back to the 8th Century. If we wanted to talk to the Imam of Al-Azhar, no problem, we'd go talk to him. If I wanted to go to the University of Cairo and meet with students -- not the American University, the Egyptian University -- I'd do it. The situation wasn't as nearly as polarized and generally hostile then as it is now. There are a couple of Shia mosques in Cairo, but as I said, the Egyptians are very effective at keeping such things under tight control. We had a political officer -- I won't name him, he was one of those who had gotten out of Tehran at the start of the hostage crisis, thanks to the Canadians. This guy spoke absolutely flawless street Arabic, which was a rarity and unfortunately still is. He would put on a galabeya on Friday and attend prayers at mosques we had an eye on. He was a chain smoker, with a tatty mustache and he fit right in. He would come back and debrief who was preaching what in the sermons, something that our Agency friends wouldn't dare try. We were keeping a close eye on what was being said, because there was some ugly rhetoric aimed at the U.S. and Israel. In my position as Egypt-Israel Officer, that was something that we wanted to keep an eye on.

Q: Did you feel at all the hand of AIPAC, the American Israeli whatever it was called?

BEECROFT: AIPAC, the American Israeli Public Affairs Committee. You would have a constant stream of AIPAC-organized congressional delegations that would go to Egypt first and then go on to Israel. They wouldn't go to Israel first and then come to Egypt, because this was still the time when a passport with an Israeli stamp in it still ran the risk of being turned away at Egyptian customs, even though there was a peace treaty. AIPAC was and still is quite critical of Egypt for keeping the peace cold. I'm sure it was beneficial and educational for congressmen and senators who had never been to the region, but you can assume that the Israeli public relations machine was a lot more effective than the Egyptian one.

Q: What was your impression of all our AID work that was going on at the time? How useful was it?

BEECROFT: We had the largest AID mission in the world in Cairo. By the way, Embassy Cairo was also the largest American Embassy in the world at the time, about 2,000 people. I've got to tell you an anecdote, one of the great AID-related anecdotes. We lived Ma'adi, as I said. In the same apartment building lived a guy who was the chief of USAID population program. I bumped into him one weekend in the hall of our apartment and he was in hysterics. I said, "What's going on?" He said, "Well, do you remember that village up-country that we'd been using as a sort of test site for population initiatives? Well, we heard that there were a lot of people getting sick, so I

went up to check it out. First I went and talked with the women. I said, are you feeling all right? I hear there's illness. The women said, oh, no, we're fine. We have these little dispensers and every day we take a pill and then for a week each month we stop. But you should talk to our husbands, they're not feeling well." He goes to talk to the husbands, asks if they're having problems? "Oh, terrible problems. We don't feel well. Our stomachs hurt all the time" "Well, what are you doing?" The response: "Well, you know, our wives take these pills every day, and every day we swallow one of these little rubber things..."

Q: Oh, God.

BEECROFT: I'm not making this up. They got guidance.

Q: That could be terribly dangerous.

BEECROFT: It could be terribly dangerous, yes.

Q: Oh, my God, swallowing condoms.

BEECROFT: That's right, they were swallowing condoms, once a day.

Q: We had these huge things, putting in new sewers, doing this and that.

BEECROFT: Sewers and chicken farms.

Q: Yes

BEECROFT: Those were the big installations. We had terrible trouble with the chicken farms because in a place like Egypt, unless they're air conditioned the chickens die, and chickens were dying by the thousands. Things kept happening. You mentioned sewers. The sewer system in Cairo was put in under the British in 1915. That was when the population of Cairo was a million and a half. It's now, no one knows, somewhere between 16 and 19 million. Yes, we were desperately, literally trying to stem the tide and failing. The problem in Egypt then and now was that things break and there is not a whole lot of technical acumen. This is not the Egyptian forte. The Egyptians are great at improvising their way to survival, and they've been doing it for a long time. But they don't like to take advice. They've been around a lot longer than we have, and they want you to know it. Same goes for the Egyptian military, by the way.

Q: I understand with the military that they have the problem that in the American system what you do is you teach a sergeant how to do this. The sergeant then goes out and teaches four or five other sergeants.

BEECROFT: Right.

Q: But, there if you teach a sergeant how to do it, he won't teach anybody else because by knowing it that's his rice bowl.

BEECROFT: That's correct, and another problem is that in the Egyptian military, there aren't many sergeants to start with. Our sergeants have real responsibilities, their sergeants -- the few that they have -- are basically flunkies. The people who "know things" have to be commissioned officers, and they're generally not highly motivated.

Q: That's the Soviet system, too.

BEECROFT: That's right. We would send in experts, let's say, I don't know, we were at that point handing out a lot of tanks. We would send in tech sergeants who had solid training in tank maintenance, and the Egyptian officers, who would be doing the same job, were offended and wouldn't deal with them because they were enlisted men.

Q: Were there any development incidents or anything else like that while you were there that you can think of?

BEECROFT: You mean security-related?

Q: Well, almost anything, you know?

BEECROFT: Well, incidents. The Shah was brought for burial in his mausoleum- mosque, I remember that. But overall, it was a relatively quiet time in terms of dramatic developments. You could tell that things were not getting better in terms of bilateral relations with Israel. We worked very hard on the Taba negotiations, alternating between Cairo and Tel Aviv. By the way, when the Taba negotiations were first held in Tel Aviv, the Israelis -- whether by design or not -- decided to put the Egyptians up at the Hotel Sharon and the Egyptians refused. Even then Ariel Sharon was a lightning rod, so they had to move the talks. It was a sort of a post-euphoric period, a long hard slog, in hopes that the Palestinian issue, which was and is still the great dividing issue, could be resolved. Now, it's also true that those of us who worked these issues felt that the Palestinian issue was being used partly as an excuse, a means of deflecting attention from a whole raft of serious internal problems inside Egypt and the Arab world. Every university graduate in Egypt at that time, and it may still be true, had a guaranteed government job. You can just imagine that with a weak private sector, you had hundreds of thousands of functionaries doing nothing and getting paid for it. Economically, things were not good.

There were problems related to the Aswan High Dam. The turbines the Soviets had built and installed in the '50s began breaking down. The blades were made of inferior steel and they were cracking. We got General Electric in to replace the turbine engines. By the way, that dam is always a quiet concern, not only because the silt that used to replenish the fields is no longer washing downstream each year, but because the dam was built to Soviet specifications, not American. We had a different plan. Dulles came to Egypt in 1954 with his own plan, which Nasser rejected. It proposed a series of low dams that would have allowed for silt to come downstream at a controlled rate. The problem now is that silt is building up against the dam. This has some people worried about the stability of the dam. You have this huge lake, Lake Nasser, behind it and you're only 100 miles west of the great Syrian-African rift that runs under the Red Sea. There are frequent earthquakes. The nightmare scenario is a wall of water sweeping down the Nile Valley. I don't know whether that's still on anybody's agenda, but it's an interesting

thing to keep in mind.

Q: Okay. Well, a question did you ever feel any pressure that you're supposed to put on a smiley face on Egyptian Israeli relations or not?

BEECROFT: No. Not with Roy Atherton or Nick Veliotas as Ambassadors, and Dick Murphy in Washington as Assistant Secretary. Atherton was there my first year, and Nick the second. I'd known Nick slightly before and Atherton was a prince, a legend, a total professional. Both of them were as fair and honest and objective as one could hope for. Nick was more of a cheerleader. Atherton was a political analyst to his fingertips, but both of them were integrity personified. The DCM was Henry Precht, who was another old hand in the region.

Q: Were there any reflections of the Iranian Iraqi situation?

BEECROFT: No. It got relatively little attention in Cairo, and the general feeling was one of satisfaction that these two rogue elephants were battling it out and both weakening themselves. On the other hand, the bombing of the Osirak reactor by the Israelis obviously got attention in Egypt.

Q: Yes, I guess the war just, it had started, hadn't it?

BEECROFT: The war had started, but it was far away. And you didn't have CNN then. CNN has made such a huge difference.

Q: Oh, God yes.

BEECROFT: One thing you asked about: smiley-faces. It struck me, especially coming from the European bureau, was that unlike EUR, NEA was not in control of U.S. policy in its area of responsibility. NEA was the executor, but not the inventor. Policy decisions came from higher levels of the Executive Branch, and from Congress. There was an internal political U.S. political dynamic that bore directly on our Middle East policy, which was not the case in EUR, where there was a broad consensus. EUR was in charge of U.S. foreign policy for Europe. And of course RPM, EUR/RPM, the NATO affairs office, was de facto a bureau unto itself. That was not the case in NEA. It still isn't.

Q: One last thing, what about, how did Betty Atherton operate?

BEECROFT: Oh, Betty was -- wow, what a pistol. She's wonderful. She had her own office in the chancery. This was the old Embassy, a charming old palace which used to have a direct view right down to the Nile. Unfortunately, that view had since been blocked by high-rise buildings that had been built between the Chancery and the Nile. In 1984, construction had already begun on the new high-rise Embassy complex, so nobody was making too much of an effort on upkeep at the old Chancery, which explains why the ceiling fell in on Betty's desk one day. Fortunately she wasn't there, but she was a driving force as a cheerleader for the Embassy, focusing on morale issues. Remember, this was our largest Embassy then, 2,000 people, and Cairo isn't the easiest place to live. Betty knew that my wife Mette had been one of the co-founders of the

Family Liaison Office in the late '70's, and they worked closely together. Mette played a crucial role in developing the Ma'adi Center. Before that, there had been no community center and since so many people lived in Ma'adi -- that's where the school was -- the Center was desperately needed.

BRUCE F. DUNCOMBE
Finance and Development Officer
Cairo (1983-1985)

Bruce F. Duncombe was born in 1937 in Brockton, Massachusetts. Dr. Duncombe graduated with degrees in political economics from Amherst College in 1959 and the University of Minnesota in 1964. Upon leaving college, he taught at Georgetown's School for Foreign Service and designed the Foreign Service Institute's Division of Economic and Commercial Studies. Dr. Duncombe has served in Cote D'Ivoire, Egypt, India, Indonesia and Nigeria. This portion of the interview was conducted on May 2nd, 2002.

Q: *In 1983, you went to Cairo?*

DUNCOMBE: That's right.

Q: *From 1983 to 1985. That must have been a whole different world.*

DUNCOMBE: An entirely different world. The embassy is much larger, of course.

Q: *It's the largest in the world.*

DUNCOMBE: It is one of the largest, certainly. The foreign policy interests there, post-Camp David, were very, very important. There was a big military assistance program. Egypt also had a very large foreign debt, and one of the things that I had constantly to remind the Egyptians about and keep Washington informed about was that the Brooke Amendment to the Foreign Assistance Act required the termination of foreign assistance if a government was more than a year in arrears on servicing its debt. Especially on the military debt, we were rapidly running up against that one-year deadline that required the termination of military assistance. In the context of Camp David settlements it would not have been disastrous. I had the impression that President Mubarak never thought we would really expect him to repay the debt. I kept arguing that if you have a contract, you have to do it. But, lo and behold, apparently in return for support during the Gulf War in 1990, we eventually forgave it.

Q: *In a way, what we were doing was paying the Egyptians to keep the peace, weren't we?*

DUNCOMBE: I don't want to answer that question, because I wouldn't characterize it that way. It was a combination at Camp David, where in return for the mutual recognition and the establishment of diplomatic relations, we provided foreign, economic and military assistance

to both Israel and Egypt.

Q: What part of the economic pie did you have when you were in Egypt?

DUNCOMBE: I was what you call the finance and development officer. I was not the head of the section, I was number two.

Q: Who was the head of the section?

DUNCOMBE: David Dunford for the first year I was there, and Edward Casey for the second year. I was primarily responsible for doing the assessment of the budget and the balance of payments and matters of that sort. It was a wonderful environment to operate in, because the ambassador basically let us do our thing.

Q: Who was the ambassador?

DUNCOMBE: Veliotis.

Q: Nick Veliotis.

DUNCOMBE: Nick Veliotis. The DCM was Henry Precht. They trusted us in the economic section. I remember very clearly toward the end of my tour, the foreign minister was coming off to Washington with a white paper to make a case for an increase in economic assistance. As he was leaving for the airport, we got a copy of this, and looked at it. It was a pack of lies. Ed Casey told the ambassador, "We're going to be sending in a message that is going to be a zinger. You better stay around to read it before we let it go." He trusted us enough, and said, "I don't have to sit around and read it, you send the message." So, we stayed for a couple of hours, beyond normal closing time, and without its being approved by the ambassador or the DCM, sent the message into Washington. As far as I can tell, it went word for word into George Schultz' briefing book. The reply cable came back on the meeting that the foreign minister had had with Secretary Schultz. They were essentially my questions and the foreign minister's answers.

Shortly after the foreign minister returned, Casey and I were called down to the prime minister's office and into the governor of the Central Bank's office to explain why the U.S. embassy had a different view of the Egyptian economy from the Egyptians.

Q: Well, how did that go?

DUNCOMBE: We had some papers from the Central Bank that we had received from a good contact, not something the Agency had picked up for us. Essentially, they were keeping two sets of books. It was very easy, if you knew the numbers, to know that there were two sets of books, because you could tell where the foreign exchange earnings came from. It came from the remittances of the Egyptians that were overseas. It came from oil. We knew the oil industry in and out. It came from tourism expenditures, and tolls on the Suez Canal. You didn't have to be much of a genius to know what the foreign exchange receipts were. We

knew the numbers better than the Egyptians did, quite frankly.

Q: You viewed, with a certain amount of skepticism, official statistics, I take it?

DUNCOMBE: Absolutely. The official statistics were prepared in the Ministry of Plan, and as far as we could tell, the only purpose of the official statistics were to prove that the Plan was working.

Q: It sounds Russian, Soviet almost.

DUNCOMBE: I haven't worked on Russia, no comment.

Q: I know what you mean, and this is true. Anywhere there is an planned economy, or even in our country, when we have Congress, who depending on which party you're in, will come up with a different set of figures. We have a massive AID structure in Egypt. Were you running in parallel to them, or how did this work? Were there disagreements with AID?

DUNCOMBE: I'm sure. I don't remember off hand. The AID mission had, as I recall, 125 direct hire Americans. It was huge. I used to attend their senior staff meeting as the ambassador's representative. This was once a week with their senior staff. I would attend those meetings as the ambassador's representative, and serve as the liaison between the embassy and the AID mission on routine matters. Although I don't remember them at this point, I'm sure there were probably some serious policy disagreements from time to time. I don't have any real fix on them at this point.

Q: Did they have what amounted to financial support element there, or one that was dealing with Egyptian finances, per se?

DUNCOMBE: Yes. I think they have this with all AID missions. What they call a program office. The program office, at the time I was there, was headed by a man who was on loan from the federal reserve system. Basically, I would clear his cable and he would clear my cables. We got along fine.

Q: Looking at this, was there much hope to have a robust economy?

DUNCOMBE: Again, too many state enterprises. There was a segment of the population that was doing quite well, but it was not all that broadly based. For reasons I would not begin to speculate on, I think you will find that in general there are not Middle East economies that are robust.

Q: I imagine the growing population would have to be of concern to anybody looking at the economy of Egypt.

DUNCOMBE: It was. I'm not sure it was a proper concern of the Egyptians. It only required you to be in the country for an hour, coming from the airport, to realize the country had a population problem.

Q: Were we looking at the students who were getting educated at Cairo University? Were they developing a rather large, unemployed, educated class?

DUNCOMBE: I don't recall that that was a particular concern at the time I was there. I gather from the newspapers that it is certainly a concern today. I do not recall that that was one of the things, for instance, that the political section was overly concerned about.

Q: Was there much exchange between the economics section and the political section at the embassy?

DUNCOMBE: Yes. I would hope so.

Q: Sometimes you can get concentrated on your area. In Egypt, I would imagine that economics was sort of the major game, really, in a way. Trying to make this country as viable as possible. It was a one-party system. The whole idea was to make it a viable country.

DUNCOMBE: I guess that is our concern in every country, isn't it?

Q: Well, some countries are essentially viable, but...

DUNCOMBE: That is correct. But, in general, American interest in any country, I should think are its continuing political and economic prosperity, and the stability that relates to that. The economic section and the political section tend to focus on different dimensions of this relationship. But, in my experience, all the embassies I have been in, there was a great deal of cooperation between the two.

Q: None of these fights between Treasury and State?

DUNCOMBE: That is correct. Part of it is because everybody is right there in the same building. If you had a difference, you could sit down and work it out. The concern over turf is certainly there, but I found that in the embassies it was... Put it this way, I may have found that it was a problem from time to time, in some of the embassies I was in, but when I came back to Washington, and had my only tour of duty in a main State Department job, I was absolutely shocked to discover how acrimonious the differences can be. Not only within the Department itself, but between State and other agencies. One of which, and I won't mention which one, I was convinced that at the level at least which I operated, all the people got up in the morning and ate a half dozen spiders before coming to work.

Q: I realize that this is a difficult question to answer, but from an economic point of view, in the economic section, how was the rule of Mubarak seen at that time?

DUNCOMBE: I shouldn't try to answer that. I'm far enough away from it at this point.

Q: I'm not thinking about today, but was it seen as a government that was doing its best to make the right economic decisions, or was it one that wasn't focused on the economic side?

DUNCOMBE: I'm sure that if one went back and examined the situation correctly, as it was being done at that time, one would say they were not doing many of the right things. They had a very complicated multiple exchange rate system. There were all sorts of difficulties. They had far too many state enterprises. The answer to the question is "no." They were not doing a lot of the things that would have been thought to be the foundation of good, sound economic policy. It may be, however, that it was politically necessary, in the context of the way the Egyptians saw their environment at that time.

Q: How about the size of our embassy? Did you see this as necessary, or an impediment? I mean, were there too many Americans tripping over too many Americans?

DUNCOMBE: No. We had a lot of interest there. We had this huge AID mission. It was a large military assistance mission. USIA had a very large, public diplomacy program. In the economics section, we must have had five, maybe six officers. I think the political section was about the same size. With all the direct-hire military and AID people, the admin. section was enormous. Because lots of Egyptians want to come to the United States, there was a very large consular section. It was a big embassy.

Q: How did you find life in Cairo?

DUNCOMBE: Chaotic, but a lot of fun.

Q: Did you develop much contact with the Egyptians?

DUNCOMBE: Not too much. Through the business community, I had a number of Egyptian contacts. As the number two person in the economic section, I did not have the substantial representation responsibilities. I seldom saw on a social basis the Egyptians I worked within the various ministries, doing my official business.

Q: During this period, when you were there, from 1983 to 1985, was there any financial, or trade, or commercial type relationship being developed at all with Israel?

DUNCOMBE: Not that I can recall. On second thought, that may not be correct. During the Israeli occupation of the Sinai, a number of the Egyptian oil fields were developed. If I remember correctly, as part of the Camp David political settlement, these oil fields were going to revert to Egypt, but there was an agreement, I believe... I may be mistaken on this, but my recollection is that a certain portion of the oil was in fact available for marketing to Israel.

Q: Well, Egypt at that time must have been... In the first place, it is surrounded by neighbors who really don't have much to contribute, as far as trade goes. You do have Libya and Saudi Arabia, both with a lot of oil, but that is about it.

DUNCOMBE: Right. Sudan to the south.

Q: So, there isn't much chance of them having a significant trade, is there?

DUNCOMBE: I don't recall that any significant trade was developing. This may not be an appropriate example, but I remember, I think it was over Christmas of 1984, my family and several other families took a bus trip from Egypt to Israel. You cross the northern part of the Sinai, and when you get to Gaza, there is a town called Raffa. You get off the Egyptian bus, walk across the border, and get onto an Israeli bus, and tour. When you return, you come back to Raffa on the Israeli bus. You get off, walk across the border, and the Egyptian bus picks you up, and brings you back to Cairo. If that is the way passengers get across, I would imagine that there is not an awful lot of truck traveling. Some of it would be down at the Aqaba, on the Gulf of Aqaba, where there is a crossing point. I would imagine it is the same thing.

Q: Yes. At one point, Egyptian cotton was a particularly fine product and a major export. Was that gone by this time?

DUNCOMBE: No. That was, in fact, very important. If I remember correctly, one of the U.S. foreign assistance programs in connection with, I suspect, the agriculture attaché, was to convince the Egyptians... They had subsidized, what they called "popular cloth," from which the galabiyah the Egyptians wear is made. They were using this very excellent quality, long staple cotton, to make this popular cloth. As a result of one of the AID programs, they were convinced... I'm just making up prices at this point. I don't know if they are correct. That they should in fact export the long staple cotton that costs a buck and a half a pound, and import short staple American cotton that costs fifty cents a pound, which is perfectly suitable for making the kind of *galabiyah* cloth we are talking about.

Q: In agriculture, outside of that, was there anything else? I'm thinking of the Nile flood plain, and the Nile being so fertile. Did this produce anything other than sustaining the population?

DUNCOMBE: It wasn't even doing that. The prices were so messed up. I remember that bread prices were kept artificially low. One of the jokes people used to say is that Egypt is the only place in the world where it is cheaper to wipe your table with a loaf of bread than with a napkin. Because the price of bread was so low, the price of wheat had to be low. Therefore, a lot of the wheat was not harvested. It was just put into animal feed. They were importing wheat. Another example is the multiple exchange rate system. The whole pricing system was messed up.

NICHOLAS A. VELIOTES
Ambassador
Egypt (1983-1986)

Ambassador Nicholas A. Veliotes was born in California in 1928. He attended the University of California, where he received a B.A. degree in 1952, and an M.A.

degree in 1954. He joined the State Department in 1955, serving in Italy, India, Laos, Israel, Jordan, Egypt, and Washington, DC. Ambassador Veliotos was interviewed by Charles Stuart Kennedy in 1993.

Q: Today is August 4, 1993, and this is an interview with Ambassador Veliotos. Nick, you were in Egypt from when to when?

VELIOTES: From November, 1983, to April, 1986.

Q: So to start with, how did you get this appointment?

VELIOTES: My previous assignment was that of Assistant Secretary for the NEA area. I had told the Secretary of State [George Shultz] in the summer of 1983 that I had really had a difficult two and a half years and that, within six months, I would like to be replaced. We did not talk of another assignment, and I did not even suggest that I was interested in another assignment. A few days later Secretary Shultz asked me to come to his office. He was alone. He said that he had spoken to President [Reagan] and that they wanted me to go to Egypt to replace Ambassador Atherton, whom they were going to bring back to the Department as Director General of the Foreign Service. I said that this was surprising. He said that Ambassador Atherton had indicated, in the past, that he would like to come back to the Department and finish his career as Director General of the Foreign Service. We talked about this a little bit because, like many things in Washington having to do with assignments and transfers, it became quite controversial. I said to the Secretary, "Well, fine. Let me talk to my wife." I said that I thought we would say, "Yes." Meanwhile, the matter really had to be handled carefully, because Roy Atherton was not only a friend of mine. He was a respected, senior Foreign Service Officer who had had a very successful and dignified career. I wanted him to learn about this from the Secretary of State, not from the press, as happened too often. The Secretary said, "I can guarantee you that. I will get through to Roy immediately and that he will hear it from me and not from anyone else." Meanwhile, no one was going to hear it from me, because my wife and I were going to California on a two week vacation. So I mentioned it to Patty, and she said, "Yes." So we left on vacation.

About two days later I got a phone call in a friend's cabin on Monterey Bay [in California] from an irate Ambassador Atherton, who had just learned from the press that I was replacing him. Having been the Assistant Secretary for the NEA area, it was easy to assume that this was something that I had engineered. It wasn't. First, the transfer wasn't. Secondly, the Secretary said that he was going to do it in such and such a way. The Secretary was terribly embarrassed when he found that the leak had come, as usual, from the White House. Well, this is much ado about nothing and had no impact on anything.

Q: But still, it shows...

VELIOTES: I can't remember a good way in which these things are ever handled. I had thought that this was as good a way as it could ever be done. If you know George Shultz, he is a very fine human being, and was a top flight Secretary of State. He was mortified by this incident. Certainly, I was.

Q: Were you able to make amends with [Ambassador Atherton]?

VELIOTES: Well, I had to make amends. Incidentally, for the record, Roy had said to the Secretary, at some point, that he wanted to go back to Washington and end up his career as Director General of the Foreign Service. He had been Ambassador to Egypt for five years. But that wasn't the point. The point was how it was done.

Q: And also the leakage, which also was blamed on the State Department, whereas the White House...

VELIOTES: I think that in the experience of both of us we know where most of the leaks come from. Most of them come from political appointees. Most of them do not come from the State Department.

So then I went [to Cairo].

Q: When you went out there, you would basically have been the person to give instructions to an ambassador. What did you carry in your briefcase as far as what you felt should be done, what were...

VELIOTES: Well, don't forget that by 1983 I had spent 10 or 11 years continuously working on Middle East affairs, at senior positions -- longer, if you count the three years I spent as Special Assistant to the Deputy Secretary, where we were working on important Middle East issues, from the perspective of the Seventh Floor [of the State Department building, where the most senior officials have their offices]. And then I was Assistant Secretary for Near East Affairs for almost three years. So if I didn't know what the policies were, it was highly unlikely that anyone could tell me.

We had as top priorities the consolidation of the Egyptian-Israeli Treaty, supporting, where possible, the efforts that were being made to get some kind of negotiations going between the Israelis and the Arabs -- in this case, the Palestinians -- and working with the Egyptians in common efforts to oppose the Soviet invasion of Afghanistan. The Egyptians were very important in that context. Cairo was a major transshipment point for equipment.

Q: You're talking about our supplies to the...

VELIOTES: To the Afghans. And we were working with the Egyptians in a common effort to oppose an Iranian victory in the Iran-Iraq War.

Q: That's right, the Iran-Iraq War was in full swing at that time.

VELIOTES: Right. Another issue was terrorism, and Muammar Qadhafi was very high on the list. It seemed that at least once a week there was a new, Libyan-inspired plot to kill officials of the Egyptian Government, or me, or bomb the Embassy. A number [of these plots] was broken up by the Egyptians at that time. Domestically, we were very, very anxious to help the Egyptians

to use American aid to the utmost degree. This was a tough issue, because the Egyptians were very cautious about changing anything in the outlook of what was an incredibly centralized, bureaucratized, Nasserist, statist government. The Egyptians have a well-developed sense of uniqueness. They've been around for 5,000 years. That helps to understand their attitude. But that outlook expanded into believing that the laws of economics and the experience of other countries didn't pertain to Egypt. I think that those were the basic issues between us.

Q: When you got [to Cairo], Hosni Mubarak was President, as he is today. He'd only been [in that office] as President for a couple of years at that time. What was our evaluation and your evaluation of him when you went out there, and did this view change as you watched him in operation?

VELIOTES: Well, I think that our evaluation of him was that he was an honest, blunt, shrewd person who sought to return Egypt to its position of prominence in the Arab and the non-aligned world, within the context of the treaty with Israel and the virtual alliance with the United States. These were his policy goals, and we endorsed them. Those issues related to foreign policy. Internally, we encouraged what was obviously his desire to govern an increasingly less repressive society. He immediately released many people whom [the late President] Sadat had put in prison, whose only crimes were writings or criticism. He reestablished a political life. We supported these objectives.

In view of what happened in Operation DESERT STORM, I suppose that one of the most important things that we did was to accelerate our security cooperation with the Egyptians. We initiated a series of, I think it was, biennial maneuvers in the Western Desert [of Egypt]. Several of the divisions that came to prominence in the Gulf War had come to Egypt and had trained with their Egyptian counterparts.

Q: Was there an unstated purpose of these maneuvers which told Qadhafi, "Don't mess around?"

VELIOTES: Yes. This was a time -- things come flooding back -- when the Libyans had mined the approaches to the Suez Canal. The Egyptians remembered that. The Libyans, as I say, were continually mounting terrorist actions, which the Egyptians broke up. So the purpose of these efforts was not directed at Libya. That was a good, secondary effect. We also had other kinds of military maneuvers, including sea, air, and land. They were very extensive.

Q: How did you find that our military -- to use a military term -- "interfaced" with the Egyptian military? I mean the Egyptians seemed to be very different.

VELIOTES: There are two answers to that -- good and not so good. "Good" describes the interpersonal relationships. No one is better at this than the American military, working with counterparts and all that. Or, working with them in the U. S. The young soldiers who come here from foreign countries to train really love it. And our military goes all out, in ways that the civilian side of the government can only marvel at -- the respect, the friendships, the hospitality, the sense of inclusion that they get from their military colleagues. Overseas, they're terrific. They are respectful of and sensitive to their counterparts. I am really very impressed about the way in which the American military handles those aspects of military cooperation.

Where it was not so good was basically where Washington was concerned. We were determined that we were going to prepare ourselves for the eventual need to deploy troops in the Gulf. We weren't sure whom we were going to fight.

Q: Iran was probably a more likely enemy.

VELIOTES: Well, even the Russians. That was a concern. And you may recall that the forerunner of CENTRAL COMMAND was the Rapid Deployment Force in the late 1970's. Then we had CENTRAL COMMAND created, and we were seeking, in the late 1970's and the early 1980's, to enhance a relationship that was initially negotiated during the Carter administration by Reggie Bartholomew, who was then Assistant Secretary for Political-Military Affairs. The early impact of this was in the Gulf itself, primarily in Somalia and in Oman -- both allegedly "non-sensitive areas." The "sensitive places" were the main Gulf areas, such as Saudi Arabia and Egypt. Egypt -- and people always should remember this -- was virtually occupied by the Soviet Union for 20 years. I think that there were about 30,000 Russians there at one time.

Q: Good God!

VELIOTES: These Russians were ostensibly trainers, but they had virtually identified large parts of Egypt as sovereign Soviet territory. This included parts of the beach in Alexandria, where there were "Russian only" areas.

As I say, we [in the American Embassy in Cairo] were very sensitive about this. But back here [in the U. S.] the planners, somewhat encouraged by President Sadat, whose visions, sometimes, went beyond reality, decided that they were going to put a very large base in Ras Banas. Well, for Sadat, if the crazy Americans wanted to put a base in...

Q: Ras Banas is where?

VELIOTES: In a windswept desert, a desolate, former Soviet air base in the extreme southern part of Egypt on the Red Sea. If you visited the place, you would see that the remaining installations had completely deteriorated. That's where we were going to spend a billion dollars. Boy, we were going to create this state of the art installation, have equipment there, and no problem. Well, you weren't going to spend a billion dollars on something and put another billion dollars worth of equipment there, unless you ran it. You see, Sadat died before this matter could get anywhere beyond the talking stage. Well, after Sadat died, we gave the Egyptians our plans. There would be an American base? They said, "No, thank you." And then our planners said, "Well, we've cut it back and cut it back, but..." Well, we were getting this pressure, and I was Assistant Secretary. I led a mission over to discuss this. When I got there, I was stunned to learn that we had submitted some plans to the Egyptians on what we would need for logistical support in northern Egypt in order to support our base in southern Egypt. Basically, we were going to pave over the area between Alexandria and Cairo. We were going to build a massive airport. Well, the Egyptians said, "No thank you" on that. Their reaction was really rather bitter. So when I was sent out as Ambassador, I inherited this matter.

We kept the discussions going and kept them going until two things happened. One day the Egyptian government got a copy of the [U. S. Army] Corps of Engineers standard request for bid document, which had gone out all over the world.

Q: You're talking about a document two inches thick?

VELIOTES: And covered by an olive drab cover. In the middle of the olive drab cover is the Great Seal of the United States, and under it was printed in large letters, "U. S. Army Corps of Engineers Invitation to Bid on the Construction of a Base and Facilities in Ras Banas, Egypt." That hit President [Mubarak]. He asked, "What kind of a quiet thing is this?" And, no, we could not give preference to Egyptian contractors. I mean, we couldn't do anything to ease the impact because of standard Corps of Engineers policies.

The other thing that happened was that, about that same time, I met the new chief of the Joint Chiefs of Staff, who was coming through Egypt. He and I spent the evening together and we were back in his hotel about midnight.

Q: Who was this?

VELIOTES: General John Vessey, of the U. S. Army. He had just replaced an Air Force general [as chairman of the Joint Chiefs]. By the way, the Defense Department had gone to Congress for appropriations for this base. At this point we were asking for \$500 million or so. General Vessey and I returned to his hotel after a dinner hosted by the Egyptian military. He said, "All right, now, Nick. Don't think you can lobby me on that Ras Banas white elephant." I said, "Wait a minute. Let's talk about it." He made it very clear that this was an Air Force issue and [what he considered was] an Air Force boondoggle. It was not worth the money. He had told the Secretary of Defense that he would not support it in his [scheduled] testimony before Congress. For the first time I learned how contentious this matter was, even within the DOD.

Q: You mean that you were just getting the view that this was absolutely essential? So the U. S. military was talking out of one side of its mouth -- that was the whole thing?

VELIOTES: Yes. We were hurt, too, in this. I told you that our relations with the Egyptians were terrific and that our guys on the ground were marvelous. But we had some serious problems stemming from the effort to rescue hostages in Iran by helicopter in 1979 or 1980. We had a residual base in another, presently Egyptian base -- this time in central Egypt. Rocky, desolate ground. And we had over 100 people there, doing nothing, as far as I could see.

Q: They were still hanging around. This is...

VELIOTES: And I could not get the U. S. Government to pull them out.

Q: This was three or four years after the [abortive Iranian hostages rescue effort].

VELIOTES: No one talked about it, but the Egyptians would say, periodically, "Well, you still have those people there. How can we trust you down there?" Washington never really

understood -- that is, senior, Reagan Washington never understood -- the depth of feeling of the Egyptians against a permanent, foreign military presence. They never understood...

Q: The Egyptians had had a problem with the British, and the Soviets came in almost right after that.

VELIOTES: They never understood that, and this was a problem for us. This was the outlook of the same people who could never understand that the Arabs would never welcome the Israeli Army to help them fight the Russians or anyone else. So that was one of the things that happened during my time there.

Q: But I assume that basically, between you and General Vessey and so on, that pretty soon went away.

VELIOTES: Well, we had so many things going with the Egyptians in the national security area. You have to remember when it was. The Cold War was still in full swing. This was the worst part of the Iran-Iraq War and the worst part of the Soviet occupation of Afghanistan.

Q: This was not a quiet period in the Middle East.

VELIOTES: No. It was very threatening, and we were trying to do our best to develop the means to defend what we considered to be our vital interests in the Gulf. When I was in Jordan, even though the U. S. and Jordan governments were estranged politically, we still were able to work with the Jordanians. In an earlier period, when the Rapid Deployment Force was created in name [only], the Jordanians had earmarked a division for deployment if we needed them. So this was really important stuff. It was very real. I don't want to exaggerate this, but these were the kinds of things that hit you. But we had many other issues before us. We could try to be annoyed with the Egyptians, but how could the Army or the Air Force or the Navy stay mad? The Egyptians would agree to a new exercise. The admiral commanding a carrier task force steaming toward the Gulf told me that it was his three or four days spent maneuvering with the Egyptians which, in effect, created his task force out of disparate ships. Those ships would gather around a carrier on the East Coast [of the U. S.]. They had never worked together -- even the captains didn't know each other. They would steam to Egypt and get into real war games. What a tremendous opportunity for them to create a cohesive battle group. And incidentally, to worry Qadhafi.

Another thing on the way that Washington operates. One of the things that we wanted to get from the Egyptians was authority for our nuclear powered warships to go through the [Suez] Canal. This was terribly important, to cut costs, and particularly in terms of the deployments that might be required in a hurry because of the war in the Gulf. The Egyptians were very wary about this for two reasons. First, if there happened to be a nuclear accident, it would have destroyed the Suez Canal as a revenue earner for a generation. Secondly, they were afraid that if they let us through, they would have to let the Russians through. And even though they knew that we were "good" in terms of our reactor technology, they knew that the Russians weren't. They knew as much as we did about Russian nuclear accidents at sea. Finally, there was an emergency, and we got them to agree [to the passage of U. S. Navy nuclear powered ships through the Suez Canal], on the assumption that there would be no publicity. I said, "I know the Navy. All that I can

promise you is that we won't have any immediate publicity. But someone, somewhere, is going to talk." I was talking with the [Egyptian] Prime Minister. The President was not available, so I dealt with the Prime Minister. I said that someone would talk, even if it was only a sailor in a bar, near an Associated Press stringer. The Prime Minister said, "OK, that we can understand, but that will come later, and it won't cause us these problems."

The battle group had hardly gotten through the Suez Canal before a story came out of Washington, reporting, "The first time ever...unprecedented...nuclear powered battle group goes through the Suez Canal." I turned to my staff and said, "John Poindexter, at that time National Security Adviser, a Navy, nuclear powered specialist, the one who'd been pressing this, just could not contain himself."

Q: So there you are, left with a broom to clean up after the parade.

VELIOTES: Yes. When you think back on it, it was frustrating. But our relations with the Egyptians were extremely close.

Q: What about the other side? Your point of view is somewhat different from when you were Assistant Secretary. You're sitting in Egypt, looking at Israel. We were doing all these things because, very obviously, they were defensive. We really were looking to Egypt, as you say, to be a real factor in Middle Eastern affairs, because of our concerns about Iran, Iraq, and the Soviets. This must have caused a lot of heartburn in Israel as they saw all this, suggesting essentially that they'd been supplanted.

VELIOTES: The Egyptians worked hard, not to supplant Israel in the affections of the United States, but to get to a level of equality. They wanted us to look at them in the same context of partnership as we did with the Israelis. And they succeeded. The Israelis, while I'm sure that they were not happy about everything that the Egyptians did, recognized that it was to their interest to maintain the treaty, whether or not it fulfilled all of Israel's expectations. It was a guarantee of no violence, no war, on the southern [Israeli] front. And there was an Israeli flag flying in a major Arab capital. So the Israelis, on the one hand, were delighted that Egypt was out of the strategic equation and that they could talk to them. On the other hand, they were a little nervous that the Egyptians might become too effective as advocates for other Arabs. But the other side of that was that the Israelis understood that, just by example, the Egyptians were also very important advocates for peace with Israel on behalf of other Arabs.

Q: Were there any other, serious problems between Egypt and Israel while you were there and did you get involved in any of them?

VELIOTES: There were two issues. One was a serious, "silly" problem. Like [the old saying that]"the situation is desperate but not serious." This was like the standard message from the Embassy in Vientiane, Laos. A manufactured dispute raised by Arik Sharon.

Q: Was he still [Israeli] Minister of Defense?

VELIOTES: Yes. This came up at the time of the [Israeli] withdrawal from the Sinai Peninsula

and was designed to stick a pin in the Egyptians and to keep us occupied. Finally, after five or six years and truly enormous expenditure of money, effort, manpower, and ill will -- how could anything have earned Israel such ill will from the Egyptians as their insistence on keeping Taba.

Q: This is a little, coastal...

VELIOTES: A little, coastal place [adjoining Elat on the Gulf of Aqaba]. It had a hotel, the Sonesta Hotel. Israelis used to giggle and tell me that it was the last place where they could take their mistresses, now that the Sinai Peninsula was no longer so easy to get to. And the Israelis moved border markers. Well, the Israelis were at fault in connection with a lot of this stuff that had happened earlier during the Arab-Israel dispute -- moving markers and so forth. The Taba dispute was finally solved, but it really poisoned the atmosphere for the leadership groups of the two countries. And it was used by the opposition in Egypt to beat the government over the head. It was used by everyone to beat us over the head.

A more serious incident occurred during this terrible summer of 1985. It was very tragic. An Egyptian policeman in the Sinai Desert must have run amok. He machine gunned seven or eight Israelis, including women and children. Then, totally losing his head, he kept people away from those who had been shot until -- I don't know how many died. If the Israelis could have come in with hospital personnel... This was a very serious issue. The summer of 1985 -- I said it was "the terrible summer," because it was. There was this incident.

Q: Did you get involved in this incident?

VELIOTES: Well, I was talking to the Egyptians almost every day about it. They prosecuted the man, they did it in a military court, and they put him in jail, where he reportedly committed suicide. Atrocities like that happen in Israel, too. A young Jewish soldier went nuts on the Temple Mount [in Jerusalem] and cut down 20 or 30 people. The fact that the perpetrator is out of his mind doesn't make the incident any less tragic. These incidents raised all of those concerns again such as, "Can you trust the Arabs?" The Egyptians were terribly embarrassed by the incident involving the Egyptian policeman and by the fact that they couldn't help the wounded. As I recall, the Israelis wanted a more public trial, though I don't think that a public trial was needed. Neither did the Egyptians. What if someone started demonstrating in favor of these people? Which could happen.

Then there was the hijacking of that TWA airplane that shuttled between Algiers and Beirut. An American Seabee was killed and thrown off the plane. Then the people got out -- the terrorists escaped. The Israelis bought them off with about 100 or so people they let out of prison. Although no one alludes to that, it was definitely the Israelis buying the lives of American passengers with their prisoners. Then there was the killing in Cyprus of two or three Israelis on a yacht, including one woman, by Arab murderers. The Arabs claimed that they were a Mossad "hit team." Of course, we spoke out. We said that we condemn terrorism. We condemn that violence. Then there was an Israeli retaliation raid against PLO headquarters...

Q: In Tunisia.

VELIOTES: ...which killed over 120 people and wounded many others, many of whom had nothing to do with the PLO, beyond the circumstance of being clerks or coffee servers.

At this point President Reagan made a statement which was interpreted widely as endorsing the Israeli action. Tensions were starting to grow at this point. When the Israelis attacked PLO headquarters, just before the Egyptian schools and universities were reopening, there was a great deal of animosity, and much anti-American and anti-Israeli feeling. And President Reagan stepped right into that.

Q: Did this statement come out of the White House?

VELIOTES: Yes. It was really stupid. Whether it was approved in the State Department, I don't know. It was really stupid because of the way in which it was interpreted. Two or three Israelis were killed and the Americans were outraged. More than 120 Arabs were killed, and the Americans, in effect, said to the Israelis, "Go get 'em." In the ensuing riots -- and don't forget that the rioters were kids. No government likes to shoot its own kids -- people must understand that Egyptian college kids were involved in these riots. The Egyptian government told the students that they needed to have a permit to demonstrate and that they may only demonstrate on university grounds. They could not come out of university premises. The Israeli Embassy wasn't very far from the university. It's an urban university, like Columbia University [in New York] or George Washington University [in Washington, D. C.]. Before the schools actually reopened, the ACHILLE LAURO hijacking took place and the sequence of events that led to the American capture of the Egyptian aircraft...

Q: We'll come back to that.

VELIOTES: This was really an extremely long period of high tension.

Q: How did the demonstration...

VELIOTES: They didn't hold it. I'm trying to describe an atmosphere to you, because if you want to understand the ACHILLE LAURO incident and the decisions made by the Egyptian government at that time, you must understand the broader atmosphere. It was already very poisonous and had the whole damned Egyptian establishment on edge. Then the ACHILLE LAURO incident occurred.

Q: Well, as a matter of timing, had the bombing of Libya taken place?

VELIOTES: No. The bombing of Libya took place a few days after I retired.

Q: OK, so things were not very good at this time, politically. We have mentioned the fact that we had not been very tough on the Israelis...

VELIOTES: We were sharply criticized for applauding the loss of what they saw as "innocent" Arab lives, whereas we showed righteous outrage when Israelis were killed. On this we said, in effect, "Go get 'em." It wasn't a happy time.

Q: Well, then, could you talk about the ACHILLE LAURO incident and your role in it?

VELIOTES: The ACHILLE LAURO incident has to be seen in the context of what I just described -- the whole terrible summer of tensions building, the buffeting of the Egyptian body politic, and the pressures put on those few decision makers in Egypt. The ACHILLE LAURO incident only lasted about five days, but in those five days you packed in about all you could get in a hostage cum terrorist situation. We had high seas chases...

Q: Would you explain what the ACHILLE LAURO was?

VELIOTES: The ACHILLE LAURO was an Italian cruise ship. Interestingly enough, it was named after the Mayor of Naples when I was in Naples, my first post. It belonged to the Lauro Lines.

Q: Yes, the Lauro's were still a big name in Naples.

VELIOTES: But they were famous for a lot of things, including the fact that they were the last royalists. The ship arrived in Alexandria. Usually, many passengers got off, toured Alexandria, drove up to Cairo, visited the museums and the pyramids, and then rejoined the ship at Port Said. This particular group of Americans on the ship were well on in years. The vast majority of them left the ship [at Alexandria] to do the tour with everyone else. This left no more than 20 [American passengers] on the ship, most of whom were members of a particular synagogue in New Jersey. As it turned out, this cruise was kind of a farewell voyage to say goodbye to their friend, Marilyn Klinghoffer, who was dying of cancer and who, indeed, died a few months after the terrorist incident. Her husband was crippled and in a wheelchair. So the Klinghoffer group stayed on the ship. They were the principal victims of what ensued.

A group of Palestinian terrorists from the Arab Liberation Front, headed by someone called Mohammed Abul al-Abbas, we learned later, hijacked the ship.

Q: Did this happen between Alexandria and Port Said?

VELIOTES: Yes. And then the hijackers just took the ship [on a random cruise of the eastern Mediterranean]. Among other things that I learned was just how big the Mediterranean was. We didn't know where it [the ship] was. All of our Navy and all of our Air Force was out looking for it. Everyone else was looking for it. We kept track of it, frankly -- at least at first -- from some intercepted radio broadcasts. The Secretary of State, for example, called me and started giving me instructions on what to tell the Egyptians to do when the ship came to them. I said, "That's fine, but it's not here." He said, "I've just been informed that it's steaming in Egyptian waters." I said, "No, it's off the port of Tartus, in [southern] Syria. We have an intercepted exchange of messages between the Syrians and the ship."

Well, it eventually showed up in Egyptian waters. We asked the Egyptians to keep it in international waters and keep it isolated, while we headed for it as soon as possible. Well, you don't have to be too smart to ... You keep it in international waters so that, if we were to mount an

assault on it, no one could blame the Egyptians. You keep them isolated from the press, so that, we've learned, you can dampen their enthusiasm or longevity if they can't advertise their point of view. The objective is to get the incident over quickly for essentially humanitarian reasons.

There was clearly a split in the Egyptian government on how to handle this incident. The Defense Minister was determined that these people [the hijackers] should be apprehended.

Q: He told the Egyptian ruling circles how to deal with the matter.

VELIOTES: Yes, the Defense Minister. The security people strongly believed that Egypt would soon arrest these criminals, who had stained Egypt's honor -- after all, the hijacking took place in Egypt -- and put them on trial. The Foreign Ministry and the Presidency -- and I think it was more the President -- just wanted to dispose of the problem. In part they were afraid that if they put them on trial in Egypt, there would be a lot of people who would support them. And President Mubarak could just see -- God, here are the television cameras, hundreds of people cheering these murderers for killing a crippled Jew.

Q: We might explain this. Was it already known what had happened?

VELIOTES: Yes. No, it was not yet known. If you want to get into some of the details...

Q: I mean, just to get this...

VELIOTES: We had been told by the captain of the ship -- a message had been received from the captain when he anchored outside of Egyptian waters, that there had been no harm done. The four terrorists surrendered to the Egyptians. Well, good heavens, let's go back. I spent one full day -- first, fighting with the British, French, Italian, and German ambassadors, who wished to accept an invitation from the terrorists, conveyed through the Foreign Minister, to meet with them to discuss the situation. The Italian Ambassador -- because it was an Italian boat -- the British Ambassador -- because there were British passengers on board -- the German Ambassador, because there were a lot of German passengers on board -- and us, because Americans were the major group of hostages. I spent several hours talking them out of this -- just asking them please to check back with their governments. I finally got the German Ambassador to agree. I said that this could do no good at all. It would prolong the agony, and I urged them not to do it. Before we broke up, we were called to the Foreign Ministry, where the signals had changed. The [Egyptian] Foreign Minister gave us 20 minutes to consider agreeing -- on behalf of our governments -- that we would not seek to extradite these people or prosecute them, in exchange for their surrender to the Egyptians immediately.

The British Ambassador was still a bit annoyed because I had kept him from his 15 minutes -- or 15 seconds -- of fame. He seemed ready to agree. I said, "Well, I don't know what Mrs. Thatcher [British Prime Minister] thinks about it, but I know what President Ronald Reagan thinks about it." I said to the Foreign Minister, "What are you asking? Are you asking Nick Veliotis, as an [individual for a] humanitarian gesture, or are you asking the Ambassador of the United States?" I said, "In the first case, sure, I can say that I would use my good offices with my government -- I could do all of that. But as Ambassador I have to tell you that my government's policy is that we

make no deals with terrorists and that we seek their prosecution." I said, "And you give us 20 minutes and then what? We would have to wash our hands of this." There were 400 people on the ship, including 20 Americans. I decided to call the bluff. I said, "No. Certainly, they would understand that I must ask my government for instructions." So I got an open telephone line to Mike Armacost [then Deputy Under Secretary of State for Political Affairs]. And finally, and reluctantly, the other Ambassadors said that they would also ask for instructions. I said that we could not leave the ministry. We were besieged. There were hundreds of journalists there. Because no matter what anyone says, the whole story was going to be on the news wires and could prejudice the lives of our people. So I said that we should stay at the Foreign Ministry. I asked the Foreign Minister to give each one of us a room.

So we all got on the phone [to our governments]. The Italian Ambassador was the first to come to me and say, "My government says 'all right,' But he sort of winked and said, "You know, we're not going to adhere to this." I said, "Well, you don't understand. If my government gives a promise, my government gives a promise." The German Ambassador came to me and said, "My government is willing to say 'Yes' [to the Egyptian Foreign Minister's proposal]. But you see, that's not the whole story. My government will agree not to seek extradition. But according to our law, any of the victims can seek redress through the courts." I said, "OK, I understand that. Thank you." I said that I still have no answer and that I won't get an answer. I said, "I'm not going to get a 'Yes' [to the Egyptian proposal]. We could play with language. The language would say certain things, but not 'Yes,' and I could prepare a proposed form of words for the Foreign Minister. But not anything that tells them that they can get off scot free. My government doesn't believe in it, and I don't believe in it." I'd already told the Foreign Minister that if he was really sure that no one had been hurt, that the earlier report that an American was killed was not true, then it might be easier for my government to be less enthusiastic about its pursuit of these hijackers. But I said that he would get no formal undertaking [not to pursue the hijackers]. Then the British Ambassador came to me and said, "Take your time." I asked why, and he said, "It's lucky I called. The minute I talked to (whomever he talked to), he said, 'No. No one is going to make any decision on this except Prime Minister Thatcher, and she's at the Conservative Party conference. We can't get to her for three or four hours.'" The British Ambassador said, "I doubt very much that she will want to announce to the Conservative Party conference that she has changed her attitude on terrorism."

Hours went by. And then the ambassadors were called in and told that the Foreign Minister had received a phone call, informing him that the hijackers had surrendered to the Egyptian authorities and that the incident was over. I told the Foreign Minister, "Congratulations," and I shook his hand. He turned to the other ambassadors and said, "I hope you'll remember what Ambassador Veliotis just said." I said, "Well, my congratulations meant that you ended this incident without loss of life."

Then I went back to the Embassy, called the Defense Minister, and asked him if he could get me a plane [to go to Port Said]. I said, "I've got to fly to Port Said. I've got to get on that ship and I'm bringing a consular officer and our doctor." I meant the doctor who's currently head of MED [Office of Medical Services in the State Department], a wonderful, wonderful woman. I can't remember her name. She is a lovely person and a terrific doctor. She was our Embassy doctor at the time. Her husband works with USIA [United States Information Agency]. With me was

Edmond Hall, a political officer. He's currently in the Department. He went from Cairo to Tunis. His wife is a Palestinian. So we reached Port Said and boarded the ship. The Italian Ambassador had gone out to the ship earlier than we did, as he should have done. The minute I got on board the ship I knew that something had gone wrong.

Q: The Egyptians hadn't told you...

VELIOTES: The Egyptians claimed that they hadn't, up to the time I saw the Foreign Minister at about 5:00 PM. Curiously, the Italian Ambassador and the Austrian Ambassador were there. I don't think that the British and the German Ambassadors came at all. We finally got out to the ship at about midnight. I knew that something awful had happened. In the first place, the crew was shell-shocked. No one was sure that all of them [the hijackers] had gone, because only four of them had left. The crew thought that there were about 10 hijackers. You know, I still understand Italian. I could hear the crew muttering.

By the time I reached the captain, the Italian Ambassador was there, the ship's officers, and Captain La Rosa, who came up to me with tears in his eyes. He handed me Mr. Klinghoffer's passport and he said, "I'm sorry. I did my best." Then he started to cry. At that point I said, "Well, is his death confirmed?" The captain answered, "Yes." I said, "I'll have to contact my Embassy." They gave me a phone. I got through to Bill Clark, who was DCM. I told him that we must insist to the [Egyptian authorities] that there had been a death. An American had been murdered, and we must insist that these sons of bitches be prosecuted. That was the phrase I used.

Q: That became a well-known phrase.

VELIOTES: Apparently, it was being repeated. This was all part of the story. I just said that. Then I said, "After you have done that, report it to Washington." That was the most important thing to do first and then to tell Washington that we'd done this. So Bill, of course, did this. The captain asked if he could see me alone. The Italian Ambassador was with him at the time.

Q: You were sort of rolling your eyes.

VELIOTES: [The Italian Ambassador] really griped me. He stole the boat to get on the ship first. I was angry at the time. After all, I brought him there in an airplane, and then it turned out...I understood why he wanted to be the first one on the ship, but there was a dead American, and I thought I should have been there with him. But then he sort of disappeared. And there I was with this poor Italian captain, who was telling me what had happened. The captain had been a real hero. He had risked his life to save at least one other life. Then he showed me his instructions. He had received instructions from his company that since he was still in international waters, he was to proceed immediately to complete the cruise.

Q: To complete the cruise?

VELIOTES: To go to Ashdod [Israel -- the next scheduled port]. To continue as if nothing had happened. I said to him, "But you can't. There's been a murder. There's going to be a prosecution.

The [Egyptian] criminal authorities are going to want to come on board." I said things like that. He started to cry and said, "But what can I do? I'll be finished if I don't follow instructions." I replied, "I know what we'll do." By this time the Egyptian military had come on board, [headed by] a major general. I said to the general, "Look, you've got to solve the [captain's] problem. You should take this ship into port." He nodded and disappeared. He came back and said, "I've just received instructions, captain, to take you into port." Obviously, the Defense Minister had told him, "Hell, yes, get him into port." So we went into Port Said.

Now all this time I had been assuming that the Egyptian government was going to arrest and prosecute the hijackers. That was confirmed by the senior Egyptian military officer on the ship. So I stayed up all night and went around, talking to those hostages who were not in their cabins and could not sleep, to reassure them. And then they said to me, "Would you please go and knock on the doors of the other people? Tell them that things are really all right. You can't imagine the terror which we have been through." So I went along, knocking on doors. Some humorous incidents happened when these people opened their doors. They were quite elderly people. They would say, "Who is it?" And I would reply, "The American Ambassador." They would say, "How do we know who you are?" I replied, "Believe me, it's the American Ambassador." I'd tell them my name, and we'd talk and joke, and finally I'd get them to open their doors. I would go in and talk to them. The only person whose door I did not knock on was that of Mrs. Klinghoffer, because I was told that she was under sedation.

Meanwhile, the [Embassy] doctor was meeting with everyone and talking to them. Edmond Hall, one of our political officers, went around and met people. He is one of those very capable officers whom you instinctively gravitate to, because they do everything right. He was going around, talking to them and reassuring them. By that time I must have looked like a terrorist myself, as I hadn't shaved or had time to clean up. We all had breakfast and then I said, "Look, do you think that we should meet before I leave?" They said, "Yes, we'd like that very much. We want to talk to you." They said, "Oh, by the way, would you go down and talk Mrs. Klinghoffer into joining us, just in case she would want to come?"

So I went down and knocked on her door. I entered her room and held her hand and talked to her. She had a woman friend in the room who had spent the night with her. I said, "You know, we really want you to come and be with us. All of your friends are waiting." She said, "OK." And I'll never forget when she walked into the room. She was a very pretty woman. She had cleaned up, made herself up, and put on a gorgeous, summer dress and came in to join her friends. As it turned out, there wasn't much that they wanted to hear from me. They appreciated what we had done and what we were trying to do. They elected a spokesman. What they wanted me to know is that they were terrorized, they were just so scared, but they were also damned mad. The spokesman said, "Mr. Ambassador, we want you to know that we didn't crack, we didn't crawl, and we always remembered that we were Americans." And I thought, "My God, they are reassuring me!" I said, "May I tell people this?" And they said, "Please tell them." So I said this to the assembled press and I called it through to Mike Armacost and suggested that he put it in his testimony to Congress. I said that these people were the heroes of this incident.

Well, since the Italian Ambassador had taken my plane back, I had to wait for another plane. I got to the Embassy about 11:00 AM. I was told that I had been asked to go over and see the

Foreign Minister immediately. I said, "Look, I'm beat. I stink. I feel rotten. I haven't slept for three days. I'm hungry." So I called my wife. I said, "Honey, come over [to the Embassy] and bring some clothes." Then I said, "Tell the Foreign Minister that I'll be there in an hour and a half or so." By the way, when I told my wife about what had happened on the ship, I just broke down and cried. It was just such a touching, emotional experience.

When I walked in to see the Foreign Minister, he was very reserved. We were on a first name basis -- I'd known him for years. I could see immediately that [our conversation] was going to be in terms of "Mr. Ambassador" and "Mr. Foreign Minister." He started saying things like, "The President doesn't understand" and "How could this happen?" I tried to reply and I said, "You know, I don't think that I know what you're talking about." He started in again. I said, "Excuse me. Something must be happening that I know nothing about. Would you please tell me what it is." He said, "You don't know, do you?" I said, "No." He took about three feet of press reports, ruffled through them, and showed them to me. He said, "This is being broadcast, every hour on the hour, in the United States, on every radio station." It was my statement that I had called in [to the Department]. I said, "Well, in the first place, I was in no position to have secure communications. The most important thing to do was to notify my government and your government, on the assumption that you didn't know that an American had been killed. Equally important was to tell you our position, that these hijackers must be prosecuted." He said, "Yes, but why did you have to call them 'sons of bitches'?" I said, "Well, aren't they?" He said, "Well, of course they are, and worse. But this has put real pressure on us." I said, "Well, this was unintended, but it happened. Now, let's talk about what you're going to do about it." He said, "Oh, well, we're going to..." I said, "Now, wait a minute. Maybe I ought to talk to the President." He replied, "No, the President isn't talking to anyone." I said, "It's not very wise for the President not to talk to anyone on this." He said, "Oh, well," and this and that. I said, "Look, you've got these people. They're murderers, they carried out a hijacking, probably in Egyptian waters. Anyway, they're now in your custody. We have a confirmed murder of an American, and you're telling me that you're not going to prosecute them?"

Then he got back to my statement -- how people were interpreting this, and how this looked like a deliberate attempt to stir up my government. I said, "Well, it actually reflects my sentiments. It's the least that I could say. But that's not the point. The point isn't what we are doing. The point is what you're doing, and I urge you to make a decision that these people should be put on trial." He said, "Oh, well, we can't do that." I said, "Look, if you can't do it, fine. I think that the Italians have or will be asking for extradition for them." I said, "I don't know if we well -- we probably will. I will support your giving these people to the Italians. I will tell you right now that I'll tell my government that we don't need them in the United States." Frankly, I thought that we couldn't prosecute them. We could have brought them in tiger cages down Fifth Avenue, and then what? They would have been released. There would be a Jewish lawyer from the ACLU [American Civil Liberties Union to defend them] because, you know, of their rights in this country. I was told later, by the way, by a team from the Justice Department that I was right.

Well, I could not get through to the President [of Egypt], and [Secretary of State] George Shultz could not get through to him. What then happened was that during that afternoon my Chief of Station [senior CIA representative in the Embassy] came in and said, "I've got a message for you." The message was that if these guys [the hijackers] leave [Egypt], the U. S. is going to try to

get them. I said, "Thank you." I'd been informed. Good enough. I wasn't about to say that if they left, and we got them, the world was going to end, because, you know, the world doesn't end. Anyway, I thought they should have been prosecuted, which brings me to George Shultz's book. Why he said that I wanted them to go free, I have no idea. In any event, we then found that the Egyptians were starting to play games with us. But then the plane took off, and we captured the hijackers.

Q: You mean that we intercepted the plane and forced them...

VELIOTES: The plane landed at Sigonella. The first reaction I received was from the Egyptian Defense Minister. I stayed on the phone for 45 minutes, giving him therapy. I told him, number one, that he couldn't resign. He figured that he was such a good friend of ours and that we had made his position untenable. He felt that he was the linchpin of our whole security operation out there, in the Gulf and everything! I said, "No, you can't do that." He said, "Well, I'll go there [to Sigonella]." I said, "Well, if you insist on going there, fine." He asked, "Don't you know what's happened?" I said, "No." He said, "Your forces have surrounded our plane. We cannot allow this. We must fight you." I said, "Well, for heaven's sake, this has to be sorted out." Fortunately, it was. It was nothing but bad judgment on our part. If you'll remember, our forces surrounded their [the Egyptians'] plane, and the Italian Carabinieri surrounded our forces.

Q: Yes, I was talking to our Ambassador to Italy at the time, Max Rabb. He said that he was trying to get this sorted out, and he was told no, that this was all in the hands of LTC Oliver North and that they only took orders from him, or something like that.

VELIOTES: No one told me this. My problem with that view is that Ambassador Rabb did not go to Sigonella himself.

Q: Well, he didn't go.

VELIOTES: Yes. He had some young consular officer down there. The impact back in Egypt was that we were not letting -- well, finally, the four hijackers were taken off the plane. The four persons actually involved were prosecuted. The plane then went on with this guy, Mohammed Abul al-Abbas, whom we had never heard of. I honestly didn't know who he was. The Egyptians I talked to didn't know him. As a matter of fact, they asked me, earlier that day or the day before, "Who in hell is this guy?" I asked Washington and never got an answer. So the Egyptian plane flew to Rome, and the question is, what's going to happen to Mohammed Abul al-Abbas? Well, we know what happened. The Italian Government fell after Mohammed Abul al-Abbas sneaked away on a Yugoslav plane. Back in Egypt the Italian refusal to allow the plane to leave Sigonella led to the Egyptians' claiming that they were keeping everyone on the boat [the ACHILLE LAURO] for some phoney reason, allegedly for a forensic [investigation]. That came to me from Bill Clark. I said, "Bill, you'd better tell Osama El-Baz, the national security adviser, that, whoever this refers to, it doesn't apply to the Americans who were [on board]. Those people have been through too much. Our buses are arriving there. We expect the Americans to be escorted into the buses to come to the hotel. So whatever games they [the Egyptians] may have been playing, this doesn't affect them. Just let them [the Egyptians] know of that. You tell them that." Often it's best to use...

Q: Yes, to have somebody else...

VELIOTES: They could play whatever games they wanted to play, but not with these people. They'd been through too much. And it all worked out. However, while the Egyptians were still playing their games with the Italians, we got our people on the buses. Then the Italian legal -- their criminal -- authorities asked if any of our people, any of our hostages, would be willing to come to Sigonella and identify them [the hijackers]. Bill Clark was out at the hotel [with the former hostages]. I said to him, "Ask them. We're not going to force anyone to do anything." And every one of them said, "Yes," and it was almost like something out of a novel or a movie. Marilyn Klinghoffer, when she identified the man who, we think, killed her husband, spit in his face.

That ended that phase of it, but, of course, the relationship between Egypt and the United States was at an impasse. [President] Mubarak insisted that President Reagan apologize. Reagan insisted that Mubarak apologize, and things continued the way they were. This is when a career officer with experience as an Ambassador plays a very important role. You are most important and effective when Washington is utterly disorganized and in chaos. This is where we were. We had the Legal Adviser's Office [in the State Department] running this situation. We had 16 other people [involved]. Incidentally, if LTC North played a role, I never heard about it.

Q: I don't know. I was just repeating what Ambassador Rabb said.

VELIOTES: Someone asked me, "Well did he [Oliver North] ever call you during this?" I said, "If he did, I wouldn't have taken the call. What do you mean? I stopped dealing with lieutenant colonels a long time ago." I mean, the generals knew where I was if they wanted me. So, as luck would have it, about three days into this impasse, and certain elements of the [Egyptian] press were calling for my assassination, the Egyptians had put us in the deep freeze -- all except one person, whom I want to talk to you about. It's worth recording.

I was scheduled to go out to dedicate a Chevrolet-Isuzu truck plant with the President [of Egypt]. So I went out with Ted Rosen, a terrific guy who was our commercial counselor. The Egyptians were as anxious for me to be there as I was. They were euphoric that I was there. I took the occasion very stiffly to say hello to the President [Mubarak] and deliver a letter from [President] Reagan, which didn't say much. But it indicated that direct, top level communications had been reestablished. I was about 20 minutes late because my driver got lost in the desert. The Egyptians thought that I was boycotting the ceremony! When I showed up, about a dozen Egyptian cabinet ministers waved and got me up front. Well, this was the start of the rapprochement, which both sides wanted, but neither side knew how to handle. So I said to Ted Rosen, when we were driving back, "I think I ought to give a press conference today. I've never met the press in Cairo, except individually, at lunches, and off the record. What do you think?" He had great feelings about it and said, "I think so." He had married an Egyptian. And I sat there, and the formula came to me. So by the time we got to Cairo, I got George Sherman, the Political Counselor, and I said, "This is what I want to say." And I started out that the United States very much regrets the necessity of having to stop the Egyptian plane, and I likened it to a bus on which some criminals were trying to escape. The police stopped it. But I used the words "regret" and "necessity."

So in the press came and I handed out this press statement in the full glory of the TV cameras and everything. I said, "I'd like to add that we want to commend the Egyptian government for its handling of this ACHILLE LAURO hijacking." I said, "That [the hijacking] took place before the Egyptians became involved, and the Egyptians speedily brought this to a resolution which saved the hostages -- and there were 400 people, remember -- from additional trauma and possible, physical violence. For political, as well as humanitarian reasons, this was the way to handle it." So I said that. And I played down stopping the [passengers] from leaving the boat, stopping the plane, and all of that, and emphasized the positive. I didn't clear any of this, of course, [with the State Department]. I was told later on that when [my statement] hit Washington -- I had called Dick Murphy [Assistant Secretary for Near Eastern Affairs] and told him, "Look, Dick, I'm not going to put any pressure on you or anyone else. You can see my remarks as I'm making them." And I'm told that the first reaction was outrage in certain quarters. And then, the next day, we sent back the details. George Sherman and Bill Clark coordinated this for me. The detailed blueprint of how to reestablish the Egyptian-American relationship at its previous level. Everyone accepted that, and it was the blueprint from which we worked. Then, because this concerned the Middle East, funny things happened.

About six weeks later the Libyans hijacked an Egyptian airplane, full of Egyptian hostages, and took it to Malta. The Egyptians asked us if we would escort the Egyptian aircraft [carrying an Egyptian commando team to Malta] because it would be within range of Libyan fighters. They [Egyptian fighters] didn't have the range [to escort it]. So six weeks or so [after the ACHILLE LAURO incident] planes from the Sixth Fleet -- of course, it was planes from the Sixth Fleet that had hijacked the Egyptian plane -- were escorting the Egyptian Army to Malta, where they were going to rescue their hostages from the Libyans. We had two of our own soldiers on board [the Egyptian aircraft], ostensibly as observers. But basically the Egyptians wanted to make sure that we were really going to escort them [the Egyptian Army commando team]. So I asked our General, General Wiegman, a wonderful Green Beret, what he thought of this. He thought it was great. He said, "Of course I'll go." I said, "Well, you'll need orders." He said, "I suppose I should check." I said, "I'll tell you what to do. Just before you go" -- and he took lieutenant colonel Mike Taylor with him, also a Green Beret officer -- "you have your office say that I ordered you to go on this flight."

By this time -- and the fact that we had done that -- what was becoming a form of conventional wisdom in Egypt, through all kinds of conspiratorial theories, was that Reagan and Mubarak had coordinated our capture of the Egyptian plane with the hijackers aboard.

Q: Oh, yes, I believe that. I've served in the Middle East.

VELIOTES: People would be punished, but Egypt could not be blamed. Of course, that's ridiculous. There was a lot more to it than this. The Egyptian Foreign Minister said, "You must leave us with a shred of dignity. Mohammed Abul al-Abbas was under our protection. He came here and he negotiated the end of this [the hijacking of the ACHILLE LAURO]. Whatever else he may be, we owe him safe passage out of Egypt. You must leave us this shred of dignity." I agreed, although I did argue that Mohammed Abul al-Abbas wasn't as important as the American relationship with Italy or the American relationship with Egypt. He was just one asshole we

could get later, if we needed to do that.

On that matter I went to President [Reagan]. I went above the Secretary's [George Shultz's] head, because I know what he thought. Anyway, I think that what we did in Italy was crazy. They, the people around the Secretary, got mad at me. I'm sure Charley Hill and others, because I disagreed with some of their pet theories. So they cut me off from telegrams about what was going on in Italy, which was pretty stupid. I realized what had happened, so I complained. They turned the telegrams back on. The first one I got was the message to the Embassy [in Rome] that was to be given to the Italians that would argue that Mohammed al-Abbas should be held for trial. I read it, picked up the phone, called Mike Armacost, and said, "Mike, for Christ's sake, cancel that. This is a Mossad [Israeli intelligence organization] report. Anyone who has served in the Middle East will know the Israeli style. I mean, you guys didn't even paraphrase it. And therefore, the [Italians] will dismiss it." Well, Mike admitted that he didn't quite know what I was talking about -- someone else was handling this. And, sure enough, the second telegram I received was about an Italian Foreign Ministry official telling our DCM [in Rome], "This is a Mossad report. How do you expect us to act on [the basis of] Israeli propaganda?"

And then, you know, the [Italian] government fell. This was the government that took all of these risks with us that started second thoughts in the Soviet government that it couldn't compete with us regarding missiles. The Italians had agreed that we could deploy modernized, intermediate range missiles and just swept [Soviet objections] aside.

Q: Well, this raises the problem of posturing back in Washington -- you know, the feeling that we need to show that we're tough, and all that...

VELIOTES: Here we are, the same people who were insisting that Mohammed al-Abbas had to be tried, regardless of consequences for American policy in Europe and the Middle East, including NATO bases. To me it's not coincidental that this happened after this series of events in Sigonella. Not so much intercepting the plane -- but what happened afterwards. The Spaniards cancelled the bases agreement. [They seemed to be saying], "That's the way the Americans recognize the sovereignty of their partners." It was unbelievable, but it was a tough time. To me, as an individual, it was tough. But we got things back on track. [Deputy Secretary of State] John Whitehead came out and said essentially my line -- people got over their initial unhappiness -- and it was all over the press and the Egyptians picked up the word "regret" and fraudulently played it. I'll say this about [President] Ronald Reagan. He did not bear grudges. I mean, Ronald Reagan, in this sense, had a real grasp of the broader subject. He wanted to get on with our work.

The Deputy Secretary came, and, I think, things started back from there. You pay a price. I told you that there were some opposition journalists who suggested that I should be assassinated. And, I'll tell you, our social life dried up. My wife was particularly concerned about it, because she had some very lovely Egyptian women friends, with whom she had worked and helped with various charitable institutions. Well, looked at from her perspective, I understand that she was very hurt, because this really did change [the atmosphere]. She was very upset. I looked at it differently. I understand "les raisons d'etat."

But there was one exception to all of this. This is a story worth telling. In 1965, I think it was, the

Mayor of Cairo was a young, former Major in the Police Force, called Salah Desouki. He was very close to [the late President] Nasser. Someone burned the American Cultural Center. Salah Desouki insisted that the American Ambassador call on him so that he, Salah Desouki, could say publicly how sorry he, the city of Cairo, and the Egyptian people were, that this happened. Lucius Battle was Ambassador at the time. This almost cost Desouki his life. He had to go into exile. Nasser saved his life by making him Ambassador to Finland. He never came back to Egypt until Sadat. Well, because Desouki was a man who had been a very good friend of mine who happened to be an Ambassador at that time, Patty and I immediately looked him up. And we became very close. We played tennis together, and our wives were close friends. About two days into this nonsense, the "deep freeze" treatment, I received a phone call in the office from Salah Desouki. He said, "Nick, your friends want to play tennis with you in the next day or so." I said, "Look, Salah, I'm not sure that it's the smartest thing for you to do." He said, "Your friends want to play tennis with you. Now, is it going to be today or tomorrow -- just tell me." I said, "OK, we'll do it tomorrow." I walked onto that tennis court, and the whole place stopped and just looked. And Salah Desouki and a couple of other guys started to play tennis with me. That broke the ice.

That Friday or Saturday night he also had a dinner party to which I was invited, along with a group of journalists. A lot of them were more or less in the opposition. As I recall, the group included Mohammed Heikal [a prominent Egyptian journalist]. It was fascinating. What they wanted to talk about wasn't the official, Egyptian version [of the hijacking] but what really happened! Salah Desouki is someone with rare courage. You don't see that often, anywhere.

One final comment -- while I was holding the line in Cairo on U.S. policy at no negotiations, no concessions to terrorists, Ollie North and Bud McFarlane et al were trying to ransom the hostages in Lebanon by giving the Iranians military equipment.

Q: No, you don't.

VELIOTES: Particularly in a country with an authoritarian tradition. He is someone I've always honored. Well, knowing him, I wasn't surprised, but still...

Q: Well, then, the period of 1983-1985. You left in 1985 to retire?

VELIOTES: 1986.

Q: Were there any other major developments that...

VELIOTES: Yes, the Egyptians began a rather remarkable process of reconciliation with the Arabs, within the context of their treaty with Israel and their alliance with the United States. It started in two ways. First, [Foreign Minister] Boutros-Gali...

Q: Who is now the Secretary General of the United Nations.

VELIOTES: ...was such a positive force all of these years in Africa that Egypt always retained its strong position in the Organization of African Unity. It was very important. It was one real,

formal, Third World outlet, which is very important to the psyche of people like that.

That was followed by...Egypt stopped attacking other Arab countries, in its official media and radio, including Qadhafi. They said [in effect], "Let that fool do what he wants. We're not going to reply in kind." The King of Morocco, as I recall, invited [President] Mubarak and some non-aligned leaders to start up the process of reconciliation in the non-aligned context. Then the Syrians chased the PLO out of northern Lebanon. The Israelis had chased them out of the rest of Lebanon. And Mubarak and Arafat met in Egypt as Arafat and his troops were being pulled out of Lebanon. And that was a very important step.

Q: *Oh, yes.*

VELIOTES: It was followed, by a fortuitous set of circumstances, by our arranging a meeting between [President] Mubarak and [King] Hussein, and Mubarak, Hussein, and [President] Reagan in the White House in Washington. That was followed by formal Jordanian recognition of Egypt once again or a Jordanian decision to re-establish diplomatic relations. So the Jordanians were the first Arab flag to come back to Cairo after the treaty [with Israel]. This was a terribly important step. Don't forget that Egypt is not only again the headquarters of the Arab League but the former Egyptian Foreign Minister, Ismat Abdul Majid, is the secretary general of the Arab League.

Q: *Well, were you talking to either Mubarak or the Foreign Ministry? Were you saying, "Look, we want to help you get back in with the Arab League"?*

VELIOTES: We knew what they were doing, and I would say that we supported it.

Q: *Did you say, "Anything that we can do to help"?*

VELIOTES: Didn't even have to say that. We'd learn what was happening, and I would...And I'll tell you. Ronald Reagan personally was terrific on this. [We reported that] this was what was going on here. It was to our advantage, and we would hope the White House as well as the State Department would issue an appropriate statement and suggested some specific language. They [the Egyptians] knew that we were supportive of their efforts on this. Osama El-Baz, the [Egyptian] national security adviser, was the architect of this. He did a remarkable job for the Egyptians.

As to other issues, well we almost had a terrific, bilateral agreement in the private sector, but for reasons that probably explain the problems of GM [General Motors], coupled with the problems that the Egyptians have, as a government, it never came to fruition. This agreement would have included a GM offer to take over the Egyptian automotive industry, such as it was, build Opals, and, within three to five years, guarantee that 80 percent [of the automobiles produced] would be composed of Egyptian parts; and then bringing in Pittsburgh Paints and transmission companies. About four [elements] were involved in this proposed agreement, which would have transformed the Egyptian light engineering sector, using as a platform for parts for Opal in Europe. There were different problems with getting it started, but the basic reason was the inability of the political level of the Egyptian government, starting with [President] Mubarak, to grab the bureaucracy and tell them, "It will happen." But it didn't happen, so a lot of those companies are

now in Turkey, because the Turks did grab the opportunity. This was too bad. This was really too bad -- a great, missed opportunity.

SHIRLEY ELIZABETH BARNES
General Services Officer
Cairo (1984-1986)

Ambassador Barnes was born in Florida and was raised in Florida and New York City. She was educated at City College of New York and at Colombia and Boston Universities. Before entering the Foreign Service in 1984, Ambassador Barnes worked with the Ford Foundation in Africa and was active in African American women's organizations and in the advertising business. In the Foreign Service she served in Cairo, Dakar, Strasbourg, East Berlin and in the State Department in Washington. In 1998 she was appointed Ambassador to Madagascar, where she served until 2001. Ambassador Barnes was interviewed by Charles Stuart Kennedy in 2004.

BARNES: I was 30-something I guess when I went into the Foreign Service. At any rate, I went in as a grade four and was a GSO. There were nine GSOs in Cairo.

Q: Pretty big embassy.

BARNES: It surely is. And they threw me right into one of the most difficult jobs. It had nothing to do with my background and experience except that it was ... I had to manage that place. I had 43 people and can you imagine if they had given that job to some 24, 23 year old? It was in travel, shipping and customs which was one of the most tedious, terrible jobs in GSO. It was getting everything through customs and the irony of it all. I became very sarcastic about what we were there to do. The people in USAID were more interested in the services of GSO travel, shipping and customs to make sure that they could import a second car and be able to sell it and be able to sell it in Egyptian pounds and be able to get back the money at our cashiers in dollars which would give them a windfall. And with each one of these sales I would have to go to the Egyptian government to their Ministry of Finance and argue, and it was like extracting blood with each car. That became almost what I was doing there, was making sure all of these bloody AID people would be able to sell second cars. They buy one and everybody would pass along the tips before they even got out to the post. Buy a car, usually something that would be preferable on the Egyptian market and since AID people were there mainly for four years at least, we'd buy one car but you had to write within 18 months or two years, to sell that car under some kind of term that they had--much before I got there--extracted from the Egyptian government and then you can buy a second car and get that imported, duty-free and sell it without paying duties. The AID people had this down to a science; buying and selling cars. And I'd tell them, "I feel like a used car sales man." Because I would have to go down to each one of these cars, plead with the Egyptian government to let this be sold duty-free.

That and I always questioned, "What the heck are we here for? Are we really here with

‘USAID’? Helping people, or to sell cars?”

Q: Yeah, well...

BARNES: And I know this is getting/gotten on tape because I think it’s an outrage what we let happen. I’m sure there are even more serious things happened in other countries but it’s something that I will never forget. I will never forget.

Q: Well tell me Shirley, why wouldn’t you be directed as you’re looking in to a Foreign Service career towards information agencies? I mean your background in advertising; I think you would be a natural there.

BARNES: I can’t explain that. There was nobody directing anything. I might again feel very cynical about that the directive was, got to get more blacks and minorities, you know, so scrub around and get some! Let’s make our body count look good. There were no real, sit-down counsel sessions with anybody that I knew; surely that I can remember that I had any. It was, “here, the assignment sheet. You can have 16 choices and half of them have to be in developing countries or hardship posts.” That was the criteria - that was it. Nobody ever said that you should really be in USAID and all of that. I think at one point maybe I had decided, I’m joining the foreign service, is that really the foreign service, you know, being up there in an embassy for a year. I never pushed it either. I did push to be in commercial and economics and they said, “oh no, you don’t have the background ...” and it’s that and the other. Although I had been in business and my background was an MBA from Columbia .now an MBA and a BBA So, it was at that time that I felt, don’t rock the boat too much. You’re getting into something you don’t really know that much about; I had no godmother or father to pull me through the ropes. I just went along to get along.

So, I don’t know beyond that, why there was no counseling and why I did not get into or they steered me in to USIA [United States Information Agency]. But I spent the major part of my life as an admin officer.

Q: Well now, how did you find all of this rather distasteful ... quite distasteful. How did you find the embassy?

BARNES: Cairo, again, Cairo is so hierarchal. Nicholas Veliotis was the ambassador when I got there and he didn’t know me from diddly squat and I didn’t expect him to. But the hierarchal situation which I think now has changed somewhat, but that structural thing of all these busy little political officers are over there sitting under and licking the behind of the ambassador and the econ officers are floating around over there. They would get to—even though they were flunkies—all of the receptions and all this. We over at GSO were just a little bit above field-hands and especially, travel, shipping and customs and the other things. I didn’t know what a representative function was until later on when I sat there and complained to my admin counselor who was Nick Baskey and he was a hard son of a bitch to work for. Whatever was his problem—he and they were very, very, tentative about having an inexperienced person who doesn’t “know” the foreign service—coming here and being GSO. Well I just out performed all of them until I became one of the stories of the Cairo embassy. The USAID people just loved me

and all kinds of good feedback and so of course Baskey then became a little bit more malleable but they were all hard to deal with. I didn't expect the ambassador to know me or acknowledge me. I was one [person], I mean all of those people that worked at that embassy. But I got a sense and a feeling that I was tolerated rather than really appreciated. I guess maybe that's the way it is with lots of people who are in senior positions who just feel that they are put on the line by risking something by having an unknown quantity come in to do work.

But as I said, that place was a mess. And they all had a young white man there before I became the GSO and he walked on water. And it was told to me by someone, "do not ever say anything against Ron" Don't say anything about the work that he did, he was wonderful in his job. I said, "Hey, did I say anything?" It was obvious that I had a long road ahead of me. My staff was great staff though.

Q: How did you find the Egyptians, the Foreign Service nationals?

BARNES: You could kind of tell, they say, "oh another one is coming here." They get so inured to this, cause they know, it just rolls off their back. I guess it was a little rare to see this black female come in, but it became obvious that I knew I could catch on quickly to what was going on. A lot of things slipped by me but they knew how to carry their weight. They were magnificent and very nice people. I liked the Egyptians. I had a great time with them. I'd rather be with them than most of the Americans at the embassy.

Q: How about Egyptian officials you were dealing with?

BARNES: I was very low-level. I think the highest level that I ever dealt with as GSO in Cairo was once in a while I went to see the vice minister at the Ministry of Finance who had to file and make these decisions on whether these folks could have a second car and sell it. He did that every once in a while. I think I saw him maybe twice. But other than that I didn't see high officials. I saw a lot of people; I'd say the head of an office or something. But I saw a lot of people in the business world. Besides shipping and customs, there were lots of people in shipping who wanted the business. They wanted all of the packing and all of that. So we would set it out for bids. I knew all of these people who had shipping companies. I knew everybody that had a hotel—every hotel director—because that was part of travel. I knew every travel agency, American Express, up or down, latitude and longitude, I knew every travel agency so I had a great life, because I was always being invited places from the business world that had to do with travel, shipping and customs. So I knew a lot of people.

Q: And you left there in '85 about? Or about two years?

BARNES: Yes, I was there from '84 to '86 because I was here in training from October '82 so I left to go to Cairo the next year.

AARON BENJAMIN
Urban Planner, USAID

Cairo (1984-1986)

Aaron Benjamin was born in New York in 1932. He graduated from Brooklyn College in 1954 and then received an M.A. degree from New York University in 1959. Before joining USAID in 1966, Mr. Benjamin worked as an urban planner for many years in New York, San Francisco, and Zurich. His career with AID included posts in Bolivia, Ecuador, Peru, Nicaragua, Dominican Republic, and Egypt. Mr. Benjamin was interviewed by Charles Christian in 1996.

BENJAMIN: Yes, but the greatest contrast was yet to come. My next assignment was Egypt! I said, wait a minute, they must have made a mistake. They don't speak Spanish in Egypt. Apparently, at that time, policy was changing and they wanted to rotate people. Those who had been in Latin America for a long time were destined to go the other side of the world, and vice versa.

Q: This was in the 1980s, wasn't it?

BENJAMIN: This was already 1984. I was assigned to Egypt, put in charge of a very large utilities program, including water, sewer, for Cairo. I also managed a large sites and services program outside of Cairo in a town called Helwan. This program involved taking a large piece of desert land, owned by the government cutting it up into 7,000 lots; facilitating the installation of water, sewer, and electricity, and finally, encouraging banks or other credit institutions to finance houses for low income families on these lots. This type of program is what we call the sites and services approach. We also financed upgrading programs for seven existing small communities, upgrading their water, sewer and electrical systems and promoting home improvement where it was possible.

The Egypt AID Mission was very large compared to what I had been used to in Latin America. It had about 140 direct hires and an equal number of contractors.

Q: In the entire mission?

BENJAMIN: Yes.

Q: You served a two year tour there?

BENJAMIN: Yes.

Q: Did you enjoy the contrast with Latin America?

BENJAMIN: It was different but equally rewarding. It involved working under difficult desert conditions, with dust and extreme heat, but the work was just as challenging and professionally satisfying.

Q: Was your family there with you?

BENJAMIN: Yes they were there. We lived in a pleasant community called Maadi, about a half hour from Cairo.

Q: Was there an American school there? How many children did you have?

BENJAMIN: Yes, the American School was located there. We had two children, one of high-school and the other of junior-high-school age.

Q: The school is supposed to be excellent there.

BENJAMIN: It is excellent. We all enjoyed living in Egypt. Aside from the challenges of the programs and the work we were doing, the country, from an historical point of view, is absolutely fascinating. One can't even begin to describe the excitement of being there and visiting the ruins. Every weekend presented another opportunity to visit one magnificent archeological site or another.

Q: That is one of the fringe benefits of the Foreign Service.

BENJAMIN: My projects in Egypt were quite large and were initiated prior to my arrival and unfortunately, my involvement in them was for too brief a period of time. Although I had intended to return to Egypt for a second tour, I could not return because of medical reasons. We returned to Washington in the summer of 1986, where I was assigned to the Housing Office.

DAVID N. GREENLEE
Deputy Director, Office of Egyptian Affairs
Washington, DC (1984-1986)

Ambassador Greenlee was born and raised in New York and educated at Yale University. After service in the Peace Corps in Bolivia and the US Army in Vietnam, he joined the Foreign Service in 1974. In the course of his career the ambassador served in Peru, Bolivia (three tours), Israel, Spain and Chile, as well as in the Department of State, where he was involved in Haitian and Egyptian affairs, and at the Pentagon, where he was Political Advisor. Three of his foreign tours were as Deputy Chief of Mission. He served as United States Ambassador to Paraguay and Bolivia. Ambassador Greenlee was interviewed by Charles Stuart Kennedy in 2007.

Q: OK. How did you move over to the Office of Egyptian Affairs?

GREENLEE: It was unusual. Why do you take a guy with no experience in Egypt and who is not an Arabist and make him deputy office director for the largest Arab country--a job that a lot of well qualified people wanted? The reason was that the bureau wanted me to continue working on the peace process and there was no specifically dedicated slot for that, at least at my grade. So I really had a split portfolio. I had arrangements with the director that I would brief him on what I

was doing outside the office, which was about one third of the time. He was a good guy, David Dunford, and it worked out well.

Q: When did you make this move?

GREENLEE: It was in the summer of 1984, and I was deputy director of Egyptian affairs from 1984 for two years until 1986, and then I went to the war college.

I was very familiar at least with the U.S. view of Egypt's positions on various peace process and peace treaty issues. I was not familiar with the more nitty-gritty aspects of our relation with Egypt, but I got to be.

Q: When you took over, how would you describe relations between the United States and Egypt?

GREENLEE: Relations were good. Egypt was a full partner in the Camp David process, and there was a kind of triangulation between our relationship with Israel and Israel's relationship with Egypt. The peace treaty was holding up well, although on the Egyptian side there was a real coolness toward Israel, a kind of stiffness.

Q: Mubarak hadn't been that long on the scene as a leader. How did we view him at that time?

GREENLEE: Let me go back to the time that I was at the embassy in Tel Aviv. One of my responsibilities was to cover Gaza. I would go there every month or so and in fact was in Gaza, eating lunch with a Palestinian contact in the UN's beachfront restaurant, when news came of Sadat's assassination. In Gaza there was little sadness but a concern about what would come next. The Israelis were a good deal more shaken by the news. They saw Sadat as a peace maker. Palestinians believed he had sold them out. The question for all was whether Hosni Mubarak could fill Sadat's shoes—and whether he would last. I remember Wat Cluverius, on one peace process visit, speculating whether the “spirit of the Pharaoh” would descend on Mubarak. In retrospect clearly it did. Egypt is not a bottom-up democracy. There are elections but the outcome, at least up to now, has never been in doubt.

I remember that there was a kind of natural difference in view between the way the embassy in Egypt saw some issues and how the upper echelons of the State Department saw them. We in the office of Egyptian affairs were in the middle, trying to explain Washington to the embassy in Cairo and, of course, the embassy trying to explain things to us. The DCM (Deputy Chief of Mission) was Henry Precht. We talked now and then on the secure line. Once, for example, he had an idea about how to use some assistance funds that wasn't accepted in Washington. It was a kind of impasse. Finally I said to him it wasn't going to happen and I agreed with the Department's position. Henry responded, “Yes, I know, and I regret that.” It was difficult being an advocate for the post, while at the same time having some times to push back.

These were the days before emails. We had a daily official-formal cable, that is, a cable that did not have to be cleared and had no formal status. It was used to exchange information and align positions between the post and the office. This was in use when I joined the office. It was a terrific coordination mechanism. I thought at first it would be a lot of work but it wasn't. When

there was an issue or something to pass on, you could type it in and let it go with 15 or 20 other issue-paragraphs at the end of the day. Cairo was about seven hours ahead of us, so in the morning we would have the return cable, with comments or queries. It worked well.

While I was deputy director of Egyptian affairs, Nick Veliotis left as ambassador together with his deputy, Henry Precht. They were replaced by Frank Wisner and Jock Covey. During Wisner's tenure there was a major disturbance—street riots-- in Cairo. I can't remember the cause—it may have been the government's attempt to raise the price of bread. Some in Washington thought the protest was regime threatening, because Muslim extremists were involved. But the post repeatedly assured us that Mubarak would control the situation. They were right. That was a good example of how the embassy perspective was better than what we were picking up in the international press and some less informed elements of the State Department.

Q: The price of bread can be politically sensitive....

GREENLEE: Right, and when you say bread you think, "Well, what difference does it make if the price of bread goes up a little bit?" But it made a lot of difference to the Egyptians. The price of wheat was so subsidized that bread was even used to feed cattle. Think of the ripple effect of even a slight price rise. Bread was life, literally, for lots of people. It was a linchpin of the economy.

I had one particularly good visit to Egypt when I was deputy director—actually a visit to Egypt and Israel. An embassy officer, Bob Beecroft, and I, went by car from Cairo to Elat, through the Sinai, and then, in another car, from Elat to Tel Aviv. We went through Sharm el Sheikh, where the 82nd Airborne had a battalion with the Multilateral Force and Observers, basically an international monitoring body for the Egypt-Israel peace treaty. At Sharm they had a recreational facility on the Gulf and for a dollar or two we were able to rent fins and snorkels and swim over the incredible reefs close to the shore. It was one of those things you can do in the foreign service that would be much harder to do in conjunction with work in the private sector. As a private tourist, it would cost plenty.

Q: Were you at all looking at the internal political situation in Egypt, particularly the Muslim brotherhood?

GREENLEE: Certainly that was being looked at. I mentioned the rioting that could have been exploited by extremists. The sense we had of it was that Mubarak could quell dissent, that he could keep the lid on Egypt. Of course, we in those days weren't able to have the kind of fast-forward in history that would show Egypt as the spawning ground for some of the radical Islamic terrorists like Zarqawi, the number two in Al Qaeda. He was jailed in Egypt after the Sadat assassination.

Q: Did the Achille Lauro happen during your watch?

GREENLEE: Yes, it did. In fact, I led a few shifts on the Achille Lauro task force that was convened in the operations center. The drama within the drama of the hostage taking was the killing of Leon Klinghoffer. He was in a wheel chair and was shot and thrown over the side. His

body washed up in Syria. I remember that we got the call that this was Klinghoffer. At one point I talked to the family by phone. Nick Veliotis was a very colorful ambassador. The Achille Lauro ended up in Egypt, with the hostages freed in a deal that also let the hijackers escape. Veliotis called the hijackers a bunch of “bastards.” That played well in the U.S. media, and accurately reflected how all of us felt.

The sequel to the Achille Lauro was no less interesting. The Egyptians arranged for them to escape to Tunisia on an EgyptAir flight. We had information that this was going to happen and U.S. interceptors were scrambled from an air base in Sigonella, Italy. They forced the Egyptian plane to land in Sigonella, but I don’t know how much coordination there had been with the Italians. Very little, I suspect. So these Palestinian hijackers—ship hijackers—were on the ground in Sigonella. But the Italians, like the Egyptians, saw them as too hot to handle. They let them escape on a private plane that took them, as I recall, to Yugoslavia. It was great international theater, with denials all over the place. We were aggressive, it is true, but it was neither Egypt’s nor Italy’s finest hour.

Q: This was a horrible set of circumstances-- the Egyptians trying to smuggle the perpetrators out. I’ve talked with people on the Italian side, but on the Egyptian side, our relations with the Egyptians must have taken a nosedive.

GREENLEE: Well, they took a hit. The Egyptian ambassador in Washington was a guy named El Reedy. He was a good ambassador, in that he tried to build the best possible relations between our countries. After the intercept but before the Egyptian government was aware of what had happened, El Reedy was summoned to the State Department. Mubarak had denied a rumor that the Egyptians knew where the Palestinians were. Before El Reedy went in to see our assistant secretary, Dick Murphy, I talked with him in the waiting area. The whereabouts of the hijackers was on everyone’s mind and El Reedy knew that was why he was summoned. We were talking. I said, “Do you know where those Palestinians are?” He said, “Our president has said that we don’t have them.” They were lying to us. I don’t know whether he already knew that or didn’t know that. Maybe he didn’t know. But we knew the Egyptians were lying to us.

Later El Reedy was confronted with the evidence in a TV interview. I’ve never seen a diplomat look so uncomfortable. He had to cover for his president. Sweat was pouring off his face. He fidgeted. I think he was an honest man in an untenable role.

Q: Was there an immediate effort by the Egyptians or our part to put things back together?

GREENLEE: This was never a meltdown in the relationship. It was the U.S. keeping its eye on the big issue. Egypt on the whole was a constructive peace process partner. We knew the Egyptians were in a difficult position. It was frankly harder to figure the Italians.

Another thing that happened during the time when I was deputy director for Egypt was a sting that the Egyptians did on Libyan President Muammar Qadhafi. Qadhafi wanted somebody murdered in Egypt, and the Egyptians found out about it. This guy—I think he was a Libyan in exile in Egypt—worked with the Egyptians to fake being murdered. They basically had the guy lie down on the floor, covered him with some red substance, and made it look like he’d been

assassinated. The photo was publicized, and Qadhafi crowed. Then the Egyptians trundled the supposedly dead guy out in a press conference. George Shultz jotted in the margin of a memo we sent him that it was a “delicious” sting. That was the word, “delicious.”

We understood Egypt to be a complicated country, a country with a high birth rate, relatively low economic growth and significant internal and Arab-world political challenges. We had, and continue to have, a huge AID program there. If you checked into the Nile Hilton in those days, you’d see these Americans in cowboy hats and dungarees, agricultural contractors. They and others who looked as if they had been scooped out of rural pockets of America occupied the top few floors of the hotel. It was a significant U.S. presence. There was a kind of relationship—a proportion—of U.S. assistance to Egypt vis-vis our economic aid to Israel. It was not a mathematical relationship, exactly, but it was almost that. If Israel got more, the Egyptians knew it was likely they would get more. In those days—I don’t remember the figures exactly—Israel would get something like \$800 million for their treasury, and then they’d get another \$1.3 billion for military assistance. The Egyptians would get less, and the economic assistance would be run through our AID system. But the understanding was that if assistance to Israel went up, then the assistance to Egypt would go up too. In this sense, the Egyptians were pulling for the Israelis.

There were huge assistance programs in Egypt. Unlike Israel, Egypt didn’t have the infrastructure to process what was coming in. We had to provide that, and it still wasn’t sufficient. I remember there was about a \$500 million pipeline of assistance awaiting disbursement. On the military side, the Egyptians, unlike the Israelis, needed help with training and maintenance. There was a very large military assistance group in Cairo. I think there were at least 100 U.S. military personnel to help with F-16s alone.

Q: In other words, the embassy was huge.

GREENLEE: It’s very, very big. It may have been the biggest embassy we had.

Q: I think it has the reputation of being that. Was there any feeling that too much is too much?

GREENLEE: I didn’t get that impression. There were reasons the embassy had to be large, political reasons stemming from Camp David and practical reasons as well. Egypt had to get a certain amount of aid, and that aid had to be channeled. You needed people to do that, but let’s face it: There was an awful lot of overhead, a lot of inefficiency.

At that time the embassy was in an outmoded building. There was also an older annex—it may have been the original chancery. I was out there not long after an OIG inspection. Somebody told me this story, and I think it’s a true story. It gives you insight into the kind of help the Egyptians needed to process the economic assistance they were getting. In this old building there was red carpeting. The inspectors looked at the carpet and noted that there were two unused vacuum cleaners. They asked the Egyptian cleaning staff how they cleaned the carpet. One of those guys apparently took some Scotch tape and wrapped it sticky-side out around his knuckles, and then started pressing down on the carpet five or six inches at a time. That was the way they were cleaning the thing. This sounds crazy, but, if you see how things are done in Egypt, it has a ring of truth.

Q: Working the Egyptian account, how did you see the Israelis?

GREENLEE: The Israelis—as I have noted--were always concerned that the peace with Egypt was a cold peace. They wanted the Egyptians to like them. They wanted Egyptians to visit them. They found the Egyptians to be personally warm and nice when they went over there, but the posture of the government and the posture of the country of Egypt was cool because Egypt was an Arab country and the biggest Arab country, the most important Arab country, and it considered itself to be the standard bearer for the countries that remained technically at war with Israel.

In fact, there was a scandal when I was in Israel as a political officer. I think it was in 1981. An Egyptian diplomatic officer seduced a first-tour British third secretary, a woman from Scotland, and this woman told this Egyptian about possible contributors to the MFO (Multilateral Force and Observers). The Israelis sniffed this out somehow and expelled the Egyptian. The British woman was summoned back to the UK (United Kingdom). There was a trial, and she was put in jail over this thing. There was always this whiff of espionage, stuff that became public when it was revealed but remained under tight wrap when it wasn't.

There were other interesting things. Another story that turned up in the press. There had been a lot of car thefts in Israel. Many of the cars were Mercedes, a lot of them Diesel limousines. The Israelis had no problem buying German products at that point. They would not tolerate a concert with music by Wagner, but Mercedes vehicles were all over the place. I understand in fact that Germany included Mercedes in reparation arrangements after the Second World War.

Well, a lot of cars were stolen in Israel by Israelis, who transferred them to Bedouin smugglers. The Bedouins drove them into the Sinai, wrapped them in plastic and buried them in the sand. When Israel handed the last third of the Sinai back to Egypt, the border moved and the stolen cars were then in Egypt. The Bedouins would then dig them up and shop them in Cairo.

Q: Did you see any possibility of Egypt, having made peace with Israel, repairing its relations with the rest of the Arab world?

GREENLEE: The Arab world could not ignore Egypt, and Egypt couldn't ignore the Arab world. Egypt was the biggest Arab state and the most important militarily, and in those days, at least, probably the most competent of the Arab states. It was clear that Egypt would not sever its relations with the Arab world, that it wanted to work with the Arab world. In this sense Israel was a stumbling block for Egypt, but Egypt needed peace with Israel to obtain the assistance from us to develop. That was the thing about Sadat. He realized that the Soviets could not give Egypt what it needed. Only we could do that. And our price was peace with Israel.

Q: Did you on the Egyptian side consult with the Syrian side at the State Department?

GREENLEE: Oh, yes. NEA was an interesting place. There were three key offices. IAI, Israel-Arab-Israel Affairs, ARN, Arab Republics North, which included Syria and Saudi Arabia, and EGY, Egyptian affairs. Of course India and Pakistan were crucial, strategically important

countries. But 80 percent of the NEA bureau's energy was focused on the Arab-Israel issues. That is why ultimately the South Asia part of the Bureau was split off—to get the full-time attention it deserved.

Q: The Iran-Iraq war was going on then, too.

GREENLEE: Yes, it was.

Q: Was this one of those things where you just sat back and say, "A plague on both your houses?"

GREENLEE: The Israeli position was to let them bleed each other. On our side there was a slight tilt toward Iraq. The policy issue was whether we should come off the fence and really support the Iraqis. Or when and how we would do it. This was going on, but outside my lane. We were looking at this thing geo-politically, but I'm sure there was a certain amount of leftover anger -- maybe not so leftover—at Iran for having seized our embassy and holding our people hostage.

Q: Were there any other major developments during this time?

GREENLEE: Probably, but my main memories are of what we have covered. Achille Lauro, the escape of the hijackers, the implementation of the Egypt-Israel peace treaty. The Taba issue, the quality of life initiative. Those were the main things I was involved in.

Q: You left the Egyptian affairs office when?

GREENLEE: I left in June of 1986, and I went to the National War College toward the end of that month.

NENA VREELAND
Center for Development Information and Evaluation, USAID
Washington, DC (1984-1987)

Ms. Vreeland was born in Pennsylvania and raised primarily abroad, her father being an officer in the US Foreign Service. She was educated at the University of Rochester and the Johns Hopkins School for International Studies. After working with the American University Handbook Program, writing handbooks on foreign countries for the Department of the Army, in 1979 she joined AID. She worked with that Agency developing and evaluating programs until her retirement. Ms. Vreeland was interviewed by W. Haven North in 1998.

VREELAND: I never got to participate in an impact evaluation while I was there. The only evaluations I was involved with were in Egypt and Indonesia at the request of those missions.

Q: What was that about?

VREELAND: The Egypt projects had to do with aspects of information use. One was a project that dealt with new “appropriate” technologies, enabling the scientific community in Egypt to access recent technical information in the United States or Europe or elsewhere. Part of that was getting satellite access to relay this information, and how the process of accessing and distributing international scientific information would be managed in Egypt, at least initially, and where that responsibility would be housed in the scientific community.

Q: What was your function in that?

VREELAND: Part of my responsibility was to evaluate the experience and quality and capabilities of several Egyptian institutions to handle those kinds of information functions.

Q: How did you find working with the Egyptians?

VREELAND: Very interesting. Talk about politics, my goodness! People say that Cairo is Byzantine and it really is.

Q: How was that manifest to you?

VREELAND: The institutions that might have been the most qualified were not the most politically well positioned to acquire the responsibility, and thus the resources, but it took a while to figure that out.

Q: Do you remember the names of the institutions?

VREELAND: I don't remember them clearly. But, it became obvious that the political pull of the directors of some of the institutions might end up enabling them to acquire access to the resources of projects for which they were not as well suited as other competing institutions.

Q: This was a big project?

VREELAND: It was a fairly large project, but it wasn't one of the really big ones.

Q: It was not information dissemination?

VREELAND: Not solely; these were scientific institution-building projects. My focus was on the information side of the project, which was a fairly significant aspect. I had a great evaluation team, two Egyptians. One was actually an American, who had been born and raised in Egypt and was heading IBM's office in Cairo at the time. The other was a scientist, a physicist, and university professor, a really excellent person with lots of experience. They were really fine people.

Q: Do you remember what you recommended or how it came out?

VREELAND: Most of the recommendations dealt with management improvements. I remember

being very clear with the director of one of the scientific institutions about what was needed in the way of such improvements, and he was being vaguely threatening about going directly to the prime minister, who was a relative, if the mission took its resources elsewhere. During the debriefing, I could see that some of the mission staff present were getting a little fidgety and nervous. I tend to be very clear and straightforward. I would be courteous at all times, but I wouldn't mince words, and if there was a spade to be called, I usually called it. I never had any problems, no unfortunate feedback or fallout for the mission, but the mission was obviously a little anxious about what was being discussed. They were very sensitive to potential political issues for obvious reasons. The gentleman finally backed down and agreed with our recommendations. I believe that if you place the argument on the grounds of what is going to be good for their country, there is hardly an argument left for them to make. Now, how things worked out in the end, there was so much behind the scenes maneuvering going on, I never really knew.

Q: This is a question of who gets the resources.

VREELAND: Right. You never really know, but what I got back from the mission subsequently was very positive and apparently things had worked out for the best.

WILLIAM CLARK, JR.
Deputy Chief of Mission
Cairo (1985-1986)

Ambassador William Clark, Jr. was born in California in 1930. He graduated from San Jose State College with a B.A. degree in 1955. He served in the U.S. Navy intermittently from 1949 to 1953. In 1957, he joined the State Department, serving in Sierra Leone, Japan, South Korea, Egypt, India, and Washington, DC. He was interviewed by Thomas Stern on January 11, 1994.

Q: In 1985, after finishing four years as DCM in Tokyo, you were available for re-assignment. How did your next assignment come about?

CLARK: After I had been in Tokyo approximately two years, I was asked whether I would be interested in returning to Washington as Deputy Assistant Secretary for FE. At that point in time, I was not. Towards the end of my four years in Tokyo, Paul Wolfowitz, then the Assistant Secretary for FE, asked me join him as his Deputy for Economic Affairs. That suggestion did not interest me. That position had never loomed large in the policy process in the Bureau not to mention the Department as a whole. Fortunately, Bill Pease, who was the Embassy's Economic Minister was interested and he was a first rate officer. So I told Paul that I was not really interested and filled out my "wish" card, which in the mid-80s asked for an officer's fifteen top choices, but you were not allowed to list ambassadorial or deputy assistant secretary positions. I gave the Department two choices: a) DCM, Bonn since I had learned German when I entered the Foreign Service and b) DCM, Cairo because I was interested in learning something about the Middle East. I had hardly sent my list in, when I got a call from Cairo from Nick Veliotis, who

was our Ambassador there. He wanted to know whether I was serious about Cairo. I told him that I had never been there, but that I would be delighted to work together with him. I had never even met Nick, but we knew each other by reputation. This was one of those rare instances in the Foreign Service when an Ambassador selects a DCM without having known him personally. Furthermore, I had never served in the Middle East and certainly had no expertise in the area. Since there were so many unknowns, I suggested that I fly to Cairo so that we could talk to each other and I could look at the environment. He thought that might be worked out and I agreed with that. Soon thereafter, the Department told me that it was against its policy to have an officer go to a post just to see what it looked like. I wrote back that in that case I was not interested in the Cairo assignment. That apparently did it because soon thereafter I received travel orders to fly to Cairo which I did and then returned to Tokyo via Washington. I did that in part because there were a couple of American companies that wanted to talk to me about jobs in the private sector. In fact, going around the world or just a round Tokyo-Cairo round trip was about the same cost.

Nick left April 1, 1986. So we worked together for about six months. I thought it was an excellent relationship, during which I learned a lot from him. After April 1, I was Charge' for six months. The Department took a lot of time deciding on Nick's successor and then putting him in place. Frank Wisner was finally chosen and moved out of the Philippines where he had the DCM for not very long. This was in a period during which the Philippine Senate rejected a base agreement that Nick Platt had so laboriously hammered out. It then just took a long time to extricate Frank from that situation. The Egyptians were very accommodating and did not raise a fuss about the lengthy ambassadorial vacancy. Had it been over six months, they might have protested, but six months seemed acceptable. In any case, by April 1, they knew who I was. I had seen Mubarak often. On one occasion, I took Senator Hart, then preparing for his Presidential run, to see Mubarak. We spent all of the time talking business. As I was leaving, he said something in Arabic; I caught the drift. So I turned to him and said: "You know, Mr. President, I don't do that". He looked at me quizzically and said: "You won't do that?". I replied: "I think you asked me to send a message to Washington. When you asked me earlier, I said that I would do that. What I meant was that I don't do Arabic". He laughed; we always got along quite well.

Being Chargé for six months was not an overwhelming experience. I already knew, by April 1, that I was coming back to Washington in the Fall to be the Principal Deputy in EA. That was at Sigur's request who by this time had become the Assistant Secretary. That future enabled me to do something I would not have done were I to remain in Egypt after the arrival of a new ambassador. I moved into the Ambassador's office and brought Ed Casey, the Economic Minister, to my office to be in effect the acting DCM until Jack Covey, who was to be Wisner's DCM arrived in summer, 1986. So when Frank arrived, his DCM had been operational for two months already. I brought a secretary up to be Frank's secretary a month before his arrival so that she was familiar with the front office before Frank arrived. I think she has forgiven me for that by now. I left six days before Frank's arrival giving General Services an opportunity to paint and refurbish the Ambassador's office without disrupting the Embassy's operations. So when Frank arrived, he had an on-going operations. That could not have been possible if I had stayed because the various personnel shifts would have become very disruptive and counter-productive. By having a DCM, I was able to avoid over-load, which happens to those Charge's who then have to return to their DCM position.

I visited Cairo and decided that the DCM job might be challenging and fun. My wife thought I was crazy. The DCM had a house in the outskirts of Cairo, but he also had an apartment in downtown on the twenty-second floor of the Egyptian-American Bank, which was brand new. In Egypt, as in some places in Europe, apartments are built, but not finished. so even though the building was complete, there was interior work being done all the time. That didn't seem too conducive for entertainment; so I suggested that other quarters be found. I was told that I would love the view. I also found out that the building did not have a back-up power source which in Cairo was a very important asset since power tended to shut down frequently. That meant no elevators and I thought twenty-two floors was a little much to walk, particularly going up. Furthermore, there was no parking for any guests that we might invite. I requested that a conveniently located house be found. If that could be done, I would be happy to join the Cairo staff.

On the way back to Tokyo, I talked to Gaston Sigur who was then on the NSC. I was curious to see what his future plans might be since Wolfowitz had been in the Assistant Secretary position for three years. We agreed that we could work together well if he ever would be appointed as assistant secretary. At the time, that was all there was to the conversation.

So we moved to Cairo. On my first day, I walked into the large waiting room in front of the Ambassador's and DCM's offices. Nick came out and said: " I am glad to see you. You are now the only person in the Embassy that can't say *Malesh*". I replied: "Mr. Ambassador, that is not true. Now that I am here, you are the only one in the Embassy who can say *Malesh*!" And that became the common practice!

I was briefed in Washington before my final departure for Cairo. Much of our policy towards Egypt still revolved around Camp David; we were still pursuing the peace process and paying over \$2 billion in assistance every year to help that process. We were beginning to be seriously concerned by the Islamic fundamentalists in Egypt. I heard a lot about Mubarak. Then there was Taba, an issue in which I became thoroughly immersed while serving in Egypt. Taba was the last piece of land in the Sinai which was still in dispute between the Egyptians and the Israelis. This was just a piece of Sinai that the Israelis forgot to return; they would tell me: "But look all we did return".

We had a large assistance mission in Egypt. I was told in Washington that it needed to be downsized, which was not an easy task. The problem was compounded by the large number of American contractors who worked in Egypt under AID contracts. Most estimates was that there were probably 1,000 of them in Egypt at any one time. Then there was the military assistance mission was also large. It had sub-teams, which also had contractors. When you added up all of the Americans who in one way or another were US government sponsored, it was huge. The Embassy staff itself was only about 290 Americans representing all agencies and as usual the State Department contingent was the smallest part of the US government presence. AID's focus at this time was on concentration -- that is, a few large projects and no small ones. For example, we had helped with the upgrading of the telephone system in Cairo and Alexandria; this system became operational while I was in Egypt and made a lot of difference to the communications capabilities of the country. We and the British were deeply engaged in the modernization of the

Cairo sewer system -- a project which did not get much visibility. The system had been originally designed by the British for a city of about 750,000 people; in fact, it was designed to accommodate 3 million. By the mid-1980s, Cairo had 10 million people living in it and growing. I must say that the system worked remarkably well given its inadequacy. The modernization and expansion of that sewer system was a very costly job. I think that AID in Egypt was a unique operation. Frank Campbell was the Mission Director after having served as the Deputy Director of AID in Washington. Before taking the Mission Director's job, he had obtained permission to take his own program staff to Cairo with him. I quickly came to the conclusion that had been one of the worst ideas I had ever seen. Such a staff would recommend programs whether needed or not because that was their responsibility. The staff's presence made it very difficult to shift resources from one sector to another because it was wedded to what it had originally proposed and would not embrace change. One of the most effective Egyptian Cabinet Ministers was Yusuf Wali, the Minister of Agriculture. He had studied Israeli arid farming and believed that technique could be applied to certain areas of Egypt. So even while there were tensions between the two countries, relationship on technical agricultural issues were maintained. Out of this connection, came Egypt's first and very successful effort to grow strawberries. The Minister was diametrically opposed to Boutros Boutros-Ghali, the current Secretary General of the United Nations. Boutros-Ghali was then responsible for African affairs and specifically for issues dealing with the Nile's watershed. He wanted to increase the water flow of the Nile River. Yusuf Wali's view was that more water was not the answer, but better management of available water was the appropriate policy. The then prevailing water flow was ruining the land because the Aswan Dam had controlled the water flow so that it was constant. That built up the silt level behind the dam and raised the water table on the northern side of the dam, ruining all the monuments that had been built along the Nile. The farmers had not adjusted to the new flows and were still engaged in flood irrigation which together with the high water level, leached the salt out, ruining the fields.

We have to also remember that the AID program was one of the few that was dictated by a level of resources that had been established without reference to project requirements. That meant that projects had to be developed to absorb the amounts of resources already determined. Towards the end of every fiscal year, there was a mad scramble to obligate all the available resources; otherwise they would be lost and we would not have satisfied the obligations we assumed after Camp David. The American assistance went for development aid and to help the Egyptians pay for the debts they had incurred in procuring military equipment from us; had they defaulted in their debts, we could not have continued our military assistance program. So we always scrambled at the end of the year to absorb all the available resources. That was another argument for a large military assistance contingent; we had to have personnel there to push the Egyptians to complete their planning and projects so that we could move on into the following fiscal year.

After having been in Cairo for a while, I came to the conclusion that the economic assistance program was too large. Even though the mission was trying to emphasize concentration, we still had too many projects in too many places with too many people. It was the old story: if the US government has personnel in its mission to do economic planning, then the recipient country will rely on that rather than doing its own. I believed that it might benefit all of us to let the Egyptians come forth with some of their own plans; if some of it was not acceptable or if some of the plans were not produced on a timely basis, then we might just reduce the assistance levels. That

certainly would have caught their attention. But we in fact were pushing them in certain directions. At one point, when I was Charge', I couldn't get to see Ghanzuri, the Minister for Economic Affairs. That was not unusual; he was always hard to catch. One day I mentioned that to Yusuf Wali. That evening I was hosting a reception to which most Cabinet officers had been invited. When Wali came through the receiving line, I welcomed him. He broke out in a broad grin and said: "Look who I have brought with me!". Sure enough, there was Ghanzuri right behind him. That was a profitable evening; we got some business done.

The level of military assistance, just like economic assistance, was predetermined. I think that was unfortunate, but it was a given and we had to work with it. But I must say, that I was very pleased by the way the program was structured. The US military had developed a management concept which rested on support teams specifically chosen for its expertise on one piece of equipment or another. So if we sold a high performance fighter aircraft, a support team came to Egypt with the planes. That team prepared the Egyptians to receive the equipment, trained them in its proper utilization and then, on a predetermined time schedule, left the country. So there was no layer after layer of bureaucracy that has developed in other countries where a team is sent and then remains forever while other teams also are assigned. So I thought the military assistance organizational structure was excellent. I tried that approach in other places; I called it "sun setting". We did not assist directly the construction of government munitions or military equipment production plants; we did procure some of that output for use in other countries -- not with military assistance funds. There was some talk of supporting a tank production facility, but nothing was concluded during my tour.

The US government was really of two minds on arms sales. On the one hand, we were trying to restructure the Egyptian army; there was no way that even \$1 billion of the \$2.2 billion assistance package would re-equip the army. It had nothing but old Soviet equipment, and it would have taken far greater resources than we could ever contemplate to replace all those weapons and systems. So we concentrated our attention on a few aspects: a tank division and modern aircraft. It was a discrete effort which in itself raised difficulties because it forced the Egyptians to maintain a dual supply system because they had to maintain two incompatible weapon systems. By the mid-1980s, the Egyptians were manufacturing many of the small arms they needed; that helped the logistic problem. They also worked with the North Koreans on the production of SCUDs by reverse engineering some of the ones they had gotten from the Soviets. We gave some thought to assisting the Egyptians in some of their reverse engineering efforts; their need for parts and ammo for their Soviet equipment was becoming too expensive for the Egyptians; we could not provide that at affordable prices. It was cheaper to buy them from Eastern Europe. So while I was in Cairo, we never pursued the purchase of spare parts and ammo for Soviet equipment from the US. We did buy some Soviet equipment from the Egyptian for testing.

While I was in Tokyo, there had been two US military commanders: one was Chuck Donnelly, who recently died, and the other one was Ed Tiscie, who is now in Texas retired. Ed had been the MAAG Chief in Egypt and Chuck had the same job in Saudi. Tiscie was in the stands when Sadat was assassinated. He had told me that he had made sure that the Commander of the lead tank -- US made -- of the review that was saluting Sadat had been thoroughly checked out for reliability and that the wires which guided the cannons on the following tanks had been cut so

that they could not be pointed at Sadat. Unfortunately, the planners did not consider the possibility of troops in trucks following the tanks would leap out and start shooting.

During my tour, we considered Egypt as a very important player in the context of Middle East affairs. It was seen as a vital pillar in the construction of a Middle East peace. There wouldn't be a peace without Egypt. Egypt was the only Middle East power that could mobilize a large army; it was therefore essential to keep it in the Camp David framework and in discussions with Israel, which is the reason we spent so much time on that subject. Mubarak was someone we could work with. He could be obtuse at times and I refer particularly to *Achille Lauro* incident when we had some communication problems.

I already mentioned our concern for the fundamentalists. They were a serious factor in 1985. Sheikh Omar Abdel-Rahman was in Egypt at the time, preaching his venom. The Sadat assassination had not been forgotten. On one occasion, an Indian, who was the head of the Union Carbide operations in Egypt manufacturing batteries, was charged that he had favored Christians Copts over Muslims in his personnel practices. He didn't help matters by saying that the American Embassy would come to his defense. After the charges were made, he was injudicious enough to promote three more Christians. That was enough to convince the Egyptian government to throw him out of the country. The Embassy then became heavily involved. We investigated the charges. In the final analysis, we concluded that there was a colonel in the Interior Ministry who was a fundamentalist. His cousin was employed by Union Carbide and did not receive the promotion that had gone to one of the Copts. I had to discuss this with the Minister of Interior in the presence of the Colonel. We had agreed ahead of time with the Minister what the conclusions of the meeting would be. I knew that Union Carbide was going to transfer the Indian in about two months in any case. I didn't want him thrown out of Egypt just short of his normal departure; it would have sent an unfortunate signal to the American business community. The Interior Minister agreed. So at the meeting, we agreed that the American Embassy would see to it that the Indian left Egypt within three months. The Colonel was furious; he made all sorts of threats after the meeting. It was clear that he did not work only for the Interior Ministry; he had other allegiances as well. The fundamentalists had infiltrated the government; that was of great concern to Mubarak and his Ministers. Over a period of time, the fundamentalists have become much more aggressive; from killing other Egyptians, as they did in my days, they have now expanded their targets to include foreigners. Asyu, a city so much in the news today, was and is 50% Coptic. One can measure the level of religious tensions in Israel by events in that city. A few times we did remonstrate with the Egyptian government about human rights violations, but there was general agreement in the U.S. government that Mubarak was observing protection of human rights to the maximum extent. Democracy and freedom of speech were not up to American standards, but when viewed in light of Egyptian culture, there was progress so that we were not forced to make any major issues out of human rights violations.

I want to briefly mention my involvement in the Middle East peace process. Abe Sofaer, the Department's Legal Advisor, and one of his staff members were the chief American negotiators. Rabie Sabel and Abrasha Tamir and David Bar-on were the lawyers representing the Israelis and the Egyptians. I had met them, most of them, having visited Israel soon after my arrival in Cairo. That was a very worthwhile trip because Taba was the subject of Israeli-Egyptian negotiations and I had an opportunity to become acquainted with the Israeli point of view. The details of the

negotiations were left to the lawyers; they became very detailed with concerns about location of markers, which maps were to be used, etc. This kind of negotiation could go on forever; in this case, the Israelis decided after many months that the issue was not important enough to drag out over a long period of time. When the Israelis would come to Cairo, they would also talk to us to get a feel of the situation; they used us as conduits for ideas and possibilities. They would also talk to the Embassy in Tel Aviv, so that communications among the three parties involved were quite good. Fortunately, the general atmosphere was quite relaxed for a Middle East negotiation. It helped that we and our colleagues in Tel Aviv were in continual close contact and were in total agreement about various issues. As I mentioned before, I had left Cairo when the final Taba agreement was signed, but there was visible progress towards that goal during the year I was in Egypt.

Because of the Camp David Accords, Egypt had been disowned by the Arab League. The old League headquarters building had been turned over for other uses, but it was clearly being kept ready for the return of the League. The Egyptians never lost their faith in their perception that they were at the center of the Arab world. Egypt was by far the most populous country in the area; it had the largest military force. It would not ask the League to be invited back, but it fully expected the rest of the Arab world to come back to it. Mubarak and I discussed Egypt's position; he was always firm that he would not seek reinstatement in the League. The continuous negotiations with the Israelis regarding Taba were a problem; Mubarak could have taken a very tough stand to please his Arab neighbors, but he wouldn't do that. He was making the point, in a quiet and effective way, that Egypt was a sovereign country and would pursue its own interests. Eventually, of course, Mubarak strategy worked well; Egypt is now a member of the League and its Secretary General is the former Egyptian Foreign Minister. Even in the 1985-86 period, you could detect some lowering of the Arab antagonism towards Egypt. The Middle East peace process was not moving along very well; Shultz would not come to the region to try to push it along. Most American Administrations -- with perhaps the exception of the present one -- have operated on the theory that a Secretarial visit was a panacea which would bring immediate concessions from Middle East governments. On one occasion, while I was Charge, I was instructed to see the Foreign Minister to ask for some Egyptian policy changes. If those were not forthcoming, then Shultz would not be able to come to the Middle East. I cabled back suggesting that the instructions be changed because I might get the wrong response from the Egyptians. That didn't sway Washington. So I delivered the message to the Foreign Minister who, when I had finished my presentation, leaned over, patted me on the knee and said that he thanked me for the message and that the Egyptians would be delighted to host the Secretary whenever he wished to come, but that Egypt had to base its foreign policy upon its own views of its national interests. It was not the answer that Washington wanted to hear, but that is what I reported as it had been given to me. The Foreign Minister was very polite, but his message was firm and clear -- the visit of the American Secretary of State would be welcomed, but could not be used as leverage on Egypt's foreign policy. We worked well with Egyptians during the year I was in Cairo; there were no major problems. It was unfortunate that the peace talk couldn't be resumed, beyond the Taba issue.

The Soviets by this time were no longer a player. Their military advisors had been withdrawn at Egyptian request and their diplomatic mission was a very low key operation. We used to see some of their diplomats at receptions, but I never had any discussions with them.

One of the major issues we had to deal with was the Egypt-Libya relations. There were periodic incursions; at one point, it even looked as if war would be imminent. Qadhafi threatened to send a million people to the border. The Egyptians understood Qadhafi's unpredictability; as with other Arab leaders, Mubarak was outspoken in his comments. Qadhafi's deputy -- a Major -- used to come to Cairo. During one of these visits, a huge amount of liquor was consumed; Mubarak, as a good Muslim, commented on people who espoused one standard of behavior and then did the exact opposite. He also did not like to pay the bills that the Libyan Major used to run up in Cairo, but Arab hospitality required such gestures. We used to discuss war plans with the Egyptians; I learned something from that. We kept running into disconnects when discussing war plans with the Egyptians and we couldn't understand why. Finally, we understood that we had a basic difference in approach. We used the American way and the Egyptians used the Soviet model. We analyzed a problem and thought up solutions. The Soviets would analyze the problem and then would consider what resources were available to bring it to bear. So we would advise the build up of forces while the Egyptians worried first about how to get the forces to the border.

Egypt and Sudan also had tense relations. Jaafar Mohamed Nimeiri, the former Sudanese President until overthrown by a coup in 1985, was living in Cairo. The Egyptians did not get much cooperation from the Sudanese; we didn't either. Hume Horan was our Ambassador in Khartoum. While I was in Egypt, he left. We were all concerned about events in Khartoum, but the US was more of a target than Egypt, even though the Sudanese resented the Egyptians giving them advice, usually in a superior-to-inferior mode.

I would like now to tell the story of the *Achille Lauro*. That incident occurred in the Fall, 1985. On one work day, the Embassy received a call from Washington informing us that the *Achille Lauro*, a Greek passenger ship had been hijacked. We were told that the ship was heading towards Alexandria. That was our first alert; we were told that we should stand by for further instructions. I immediately called our General Services Officer and asked that he wire up our conference room in case we had to set up a crisis center. In fact, the ship changed course and headed away from Alexandria; it could not be found by the various national authorities which by this time were very concerned. Nevertheless, I left the conference room in its "ready" mode. When located again, the ship appeared to be heading toward Syria.

Then somehow we heard that someone on board had been killed. Then the ship was lost again and when found again it was heading back to Egypt. By this time, the senior Embassy officials had all been briefed, but we had not yet gone into an alert mode. It was the intention of the authorities not to let it dock at Alexandria, but to try to keep it at sea in international waters, where the Navy Seals might be able to storm it. At the same time, Mubarak's advisors were urging him not to let the ship into Egyptian waters, where it had been a few days earlier before sailing away. I am convinced, to this day, that Mubarak had visions of the TWA hijacking which had taken place sometime earlier. You will recall, that incident created a major international crisis with the Israelis finally having to give up 1,000 prisoners to retrieve the passengers. Mubarak thought that he might be able to resolve the *Achille Lauro* more easily because he thought that he could influence the hijackers, as indeed he did. So Mubarak allowed the ship to enter Alexandria port. The Egyptians were, as far as I know, the only people in touch with the ship. We had sporadic contacts with the Egyptians.

By this time, we knew who the hijackers were. The Embassy's crisis room was operational and the staff had been put in a state of high alert. We also by now knew that there had been nine American couples on board; they were headed for a port in Israel. We were informed that a Mr. Klinghoffer, who was a cripple bound to a wheelchair, had been pushed overboard and drowned. We put together a team including the Embassy's psychiatrist, the nurse, a consular officer, the General Services Officer which accompanied the Ambassador to Alexandria. They also took an ambulance. In the meantime, the Egyptians had convinced the hijackers to leave the ship. So when the American team arrived in Alexandria, it boarded the ship. We found out that the hijackers had gathered the remaining seventeen Americans on deck and had surrounded them with gasoline drums. The hijackers were prepared to kill all of them if they felt it was necessary. That meant that our people were in far greater peril than we had recognized. We didn't understand that situation because the Egyptians had not been very communicative.

It was only after Veliotis boarded the ship that the full scope of the episode became clear. That is what prompted Nick's call to me which was monitored by some reporter who was on shore listening to the communications to and from the ship. Within minutes, Nick's words were heard in the United States and probably in many parts of the world. He was obviously outraged by what he found on board and told me that he wanted "those sons of bitches" arrested. Later I told him that the biggest mistake he made during the incident was not to say: "Clark, I want those sons of bitches arrested". Having had a distinguished career in the Foreign Service, Nick will always be remembered for those few words spoken in a second. I am sure, had he known, he would have embellished his remarks to me. We had no trouble boarding the ship except that our psychiatrist developed mental problems himself. He just came unglued! But all the surviving Americans were taken off and put on a train to Cairo.

By this time, activity became fast and furious. Washington was on our backs calling on us to demand from the Egyptians that the hijackers be turned over to US personnel. It was clear that our attitude toward hijackers had changed since the TWA incident. We wanted the perpetrators with no "ifs or buts". Nick was instructed to personally see Mubarak and demand their release to our custody. In my discussions with Washington, I asked repeatedly for an American military medical evacuation aircraft so that the seventeen Americans could be evacuated out of Egypt as quickly as possible to be taken to the US military hospital in Frankfurt. After a long hassle, we finally got approval for the plane. I was told that all I had to do was call the base and it would be on its way.

We knew that the Egyptians had the hijackers in custody, but didn't know exactly where. They were facing major problems because they were now caught between some of the Arab brothers and the United States. Mubarak wanted to turn the hijackers over to Arafat in Tunis to be tried there. That would have gotten the Egyptians somewhat off the hook; at least they would not have physical control of the hijackers. That proposal did not please us at all. When Nick went to make his demands for the hijackers, he was told by Mubarak that they had left the country. We knew from our sources that this was not true. The President of Egypt was not being honest with us! In the meantime, the seventeen Americans were on their way to Cairo. Although all senior citizens, some were very feisty. Their own guide kept promising to get them out of Egypt on a TWA commercial flight. That plane was scheduled to leave at 5 a.m. The American passengers refused

that offer; they said they were tired and wanted a rest before resuming their odyssey. When they got to Cairo they told me that they didn't want the military aircraft; some had been in the Army and wanted no further part of that life. So I called Washington to hold up the evacuation flight and I was told that the State Department hoped that at least the American survivors would be given first class seats -- as if we had any control over that!. After his meeting with Mubarak, Nick went to see the Americans at their hotel.

All of us were very uneasy by this time. We thought that something was happening of which we had not been informed. The Egyptians were being very evasive; some of the cable traffic seemed a little odd; our US military contingent was very uneasy, although they had no information, but just felt that something was in the wind. Finally, I called Mike Armacost, then the Under Secretary for Political Affairs and told him that we had a funny feeling that something was going to happen and no one was telling us. He said: "It has happened". He was referring to the diversion of the Egyptian plane, which was carrying the hijackers to the NATO Air Force base Sigonella in Sicily. No one had told us about those plans. We might never have heard from the Department had I not called Mike! When I heard from Mike, I called Veliotis at the hotel where he was with the American passengers. I suggested that he return to his office immediately, if not sooner.

When he got back, I briefed him. I suggested he talk to Mike on the secure phone to get more information. In the meantime, I told him that I was going to increase security on our buildings, since we didn't know whether the Egyptians knew anything and what their reaction might be when they learned what the US had done. The next morning the *Achille Lauro* passengers woke up to the news and realized that their hijackers were on a NATO base surrounded by US troops. The general in charge was making all sorts of threats about what he would do to the plane if the hijackers were not turned over to him in a hurry. These events seemed to have some impact on the Americans because they came to the conclusion that the use of an American medical evacuation plane might not be a bad idea. So I called the White House and reinstituted my requests of a couple of days earlier. The passengers were concerned, as were we, that the Egyptian reaction might be quite forceful and they wanted to get out while the getting was good. Much to my surprise, the White House approved the use of the military plane. A few minutes before it was to land near Cairo, I got a call from Frankfurt. Nick was at the airport to bid our "guests" goodbye. The military commander in Frankfurt was concerned because they had lost contact with their plane. Furthermore, it occurred to them that we had an Egyptian plane surrounded on the runway in Sigonella; they could see the possibility of the Egyptians returning the favor with this medical plane. Frankfurt asked me to call the airport tower to tell our plane not to land, but to return to friendly territory. The logic of that request still boggles my mind: I was to ask the Egyptians to waive off a plane which they might want to capture! Anyway, I went ahead and had our Air Attaché call the tower. He was informed that the plane was on its final approach and could not be called off. The Egyptians permitted the plane to land, refueled it, let the Americans board and then let the plane take off. If the thought of exchanging plane for plane ever occurred to them, it never showed. They put on a class act and the evacuation proceeded very smoothly.

We later learned that the Egyptians knew what was happening as soon as our fighters met the Egypt airliner. That was much earlier than we did, but they never told us. Abu Ghazali, the

Defense Minister, was furious at the pilots for following US instructions. He wanted the instructions ignored on the assumption that we would not shoot the plane down. That Defense Minister was later fired for being involved in an effort to smuggle missiles out of the US. Actually, for the most part, he was a very helpful official.

But for a period of time, we did not know that the hijackers had boarded an Air Egypt liner, that the Tunisians had refused to let that plane land on its territory, that Washington knew all that was going on and that the US had decided to divert the plane to Sigonella. I later found out that the US planner was Ollie North. The Egyptians, having told us that the hijackers had already left, could then not turn around to let us know when in fact they left; they also didn't tell us that their plane had been forced down. Washington didn't want or didn't think of keeping us posted. It was only after the fact that the Egyptians let us know that they were not happy with our actions, although if they sent a demarche, they must have done it in Washington because we didn't receive one. The Egyptians were embarrassed; they had been caught in a lie and then of course diverting one of their commercial aircraft was not going to be acceptable, even though it had hijackers on board.

By the time the Egyptian plane landed in Sigonella, we knew who the hijackers were. We knew Abul Abass was on the plane and that he was the leader of that group as well as being involved in other terrorist activities. He had not been aboard the *Achille Lauro* but he was invited to come to Egypt to negotiate the release of his people. We missed a golden opportunity to capture one of the leading terrorists, as the Italians later admitted. It was their intervention, as you will recall, that forced us to release the plane. The Egyptians told us who the hijackers were and that was confirmed by our intelligence community. I think the Egyptians knew who these people were very early in the sequence of events. There was considerable confusion in part because the hijacking was really unplanned. The terrorists were to disembark with the other passengers in Israel and conduct their attacks there. But they were uncovered by one of the crew members while they were preparing their weapons. That forced a change in their plans and they decided to hijack the cruise ship instead. The whole story was fascinating, but very nerve wracking for all concerned as you can well imagine. In the final analysis, we were lucky to escape with the loss of only one life, devastating as that was. It could have been a major catastrophe.

While serving in Cairo, I also experienced my first police riot which occurred in February, 1986. It was a surprising occurrence at the time, but could almost have been anticipated if one looked in retrospect. The police involved were those that were responsible for such activities as guarding embassies. We had them at our front gate, armed with very shiny weapons which obviously had never been fired. They used to be referred by Egyptians, and especially the military, as "animals" and other terms of denigration. These young men, just like their contemporaries in the regular military, were all draftees. Some went into the Army and others in this police force. It was assumed that the more intelligent were drafted into the Army; the poor uneducated farm boys became policemen. As the bottom of the rung, they were treated abominably. They were camped out near the Pyramids. One night, they just rioted. It was never clear what set them off; some blamed the fundamentalists, but nothing was ever proven. I think essentially they just got tired of being treated worse than some animals. They went on a rampage; they fired at some of the hotels in the Pyramids area. The American School and most of our staff that had families with children were housed in Madi, which also had a police camp

near by. When the riot started, it was evening and I received a call from the Chief of MAAG. I suggested that we meet the next day at the Chancery. They never showed up, which I found somewhat disconcerting. All the other Embassy staff came to the Chancery compound, which had offices for all US government components in Cairo; only the US military didn't show up; they stayed with their families at home. During that day, we were receiving periodic reports about firing near the police camps. We had a report that Madi was in flames, that looting was taking place and that the gas station at the corner of the Cornice, which was a landmark, was going up in flames. Some of the reports were being provided us by eyewitnesses, some of whom I knew personally. As you can well imagine, the staff was on edge. As it turned out, all the reports were greatly exaggerated and completely wrong in many respects. Nevertheless, the continuing reports of troubles were obviously of concern. I was the Charge' at the time; Nick was in the US for consultations. The Egyptian authorities kept reassuring us that the problems were minor, but the staff was not reassured. So I called General Abu Gazala of the Ministry of Defense and told him about my concerns. I wanted the staff which was in the Chancery compound out to Maid to be with their families. By this time, the Egyptian military had mobilized and were beginning to take action against the police. The General, in his usual way said : " No problem! I will have one of my Colonels at the compound in twenty-minutes". And indeed in twenty minutes, a Colonel showed up with a jeep, a number of APCs mounted with troops with machine guns. I asked all of the staff which wanted to return home to get in their cars and formed a caravan. The followed the lead jeep and two of the APCs; the other two fell in behind at the end of the caravan. All of the Egyptians who lived near the compound were watching this from their windows; they had never seen anything like it. We kept a skeleton emergency crew at the Chancery. When the situation had been brought under control, we could see that the incidents in Madi had been sporadic, but that the destruction around the Pyramids had been considerable. Fortunately, most of the tourists had been evacuated before the hotels were burned down. Not all the facilities were torched; for example, Mina House -- the Oberoi Hotel -- was broken into, but not burned. Only one American was killed -- an elderly woman who suffocated in her room. We had opened a telephone line to Washington; by this time, after the *Achille Lauro* incident we knew how to do that! Washington set up a task force with which we were in constant contact. Fortunately, the riot lasted only one day. It was a very stressful day, even though I had been through many violent demonstrations in Japan. Many of the Cairo staff had not lived through such events and were very upset.

One day, the Egyptian Lawyers Association threatened to march on the Embassy. That didn't seem to me to be a major problem. But many of my staff became quite concerned. I was assured by the police that the demonstrators would be stopped a block away from the Chancery. But everyone else was very nervous despite my repeated assurances that there was really nothing to worry about. I insisted that the Embassy stay open, that the gates stay open as if it were just another work day. I was only going to change our normal routine if advised by the Egyptians authorities to do otherwise. By sheer coincidence, some of the Embassy's secretaries -- including mine -- were going out to have a farewell lunch with one of their colleagues who was transferring. They left in a car; within twenty minutes, the MAAG had dismissed all of its personnel for the day. When I called the acting Chief to ask for an explanation, he said: "I saw you sending your secretary home. So I decided to send my staff home as well". I ordered him to go to the lobby and sit there to see what was going on. Within a half hour, the secretaries returned from their lunch. He was dumb-founded. I then explained to him that they had just gone

out for a celebration. His lame excuse was that he had to be very careful. As it turned out, there were about six lawyers who demonstrated and none ever came near the Chancery. But this was good illustration of the extreme tension that some of the staff felt most of the time and that includes even some of the senior officers. I believe that this was the consequence of the general atmosphere in the Middle East, heightened by the *Achille Lauro* incident and the police riots. Too many of the Americans working in the Embassy saw themselves as potential victims of one threat or another, although I don't think they were anymore exposed than personnel in many of our other embassies. Having experienced many violent demonstrations in other countries, I just could not share that concern; Egypt was no more dangerous than most other countries. I found it interesting that this level of anxiety was particularly high among the military community of the embassy. Our military component was essentially sales organization with the capacity to support the weapon systems that were sold. So they didn't have much experience in the Middle East or perhaps in any other embassy. On the other hand, the Defense Attaché was a true Arabist and was one of the best military intelligence officers that the Army had. He was great; he didn't get upset. The bottom line was that no official American or his/her family was hurt in the police riot.

In one sense, the police riot had a salutary effect among the Egyptians. There had been concern because of the tensions between Mubarak and the Defense Minister. During the riot, the Egyptian military occupied the streets and did a remarkable job. Soldiers could be seen playing soccer with the kids in the streets. It was a superb performance of peace-keeping. After three days, the soldiers went back to the barracks. The Defense Minister proudly pointed out that the Egyptian military could be used effectively to restore order, but was not in the business of running the country and therefore returned to the barracks when the job was done. The Defense Minister got a lot of kudos for his troops' behavior. The average Egyptian felt very relieved when the military returned to their quarters. After calm had been restored, we went back to "business as usual". The same police that had guarded the Embassy before returned to duty still with their unused automatic weapons.

The other incident that I should mention concerned the hijacking of an Egyptian airliner by some fundamentalists -- the Egyptians said "Palestinians", but it was hard to know their origins. One day, we received reports from the Egyptians and from US sources and also from Cyprus that an Egyptian plane had been hijacked and had landed in Cyprus. There were lengthy discussions about what action to take, even though, as far as I can remember, there were no Americans on board. Washington urged patience until special forces could be sent to Cyprus. We wanted to get involved because in 1986, hijacking was a major issue with us. The Cyprus incident came soon after the hijacking of the TWA plane. So our policy was that wherever terrorists struck an airliner, we or the closest NATO ally would bring its force to bear. But our forces never were brought into play because Cyprus refused permission for them to land. We were trying to slow down the activity until what we considered to be appropriate forces could be brought to Cyprus. But the Egyptians decided that they had at least get some of their men to the Cyprus airport. They sent their crack commando unit -- the 777 -- which had trained in the US. They asked if, for liaison purposes, we might send some American officers with that unit. Since the Cypriots were refusing to allow US personnel to land and since we were interested in knowing what was going on, we responded positively to the Egyptian request. So the MAAG Chief and two or three of his staff members -- all of whom had commando training -- went with the Egyptian unit. At the request of the Egyptians, these American wore their uniforms. When they met the Egyptian

soldiers, they found that they were in mufti, leaving our officers sticking out like sore thumbs. The pictures from Cyprus will show the American officers disembarking in uniforms while the Egyptians were wearing civilian clothes. To this day, I have never found out why this happened; I asked our military when they returned. They didn't know, but suspected that they had been set up. But I have never gotten an answer, although it was clear that the Egyptians wanted some Americans with them. As it turned out, when the Egyptians commandos landed, the Cypriots were in communications with the hijackers. I was told that the Egyptians moved to the tarmac, while the Americans were shunted off to the side and didn't have any role to play in the drama. After the Cypriots had refused landing rights to the American special forces, the Egyptian commander decided to move against the plane. His soldiers blew the doors off and moved onto the plane with considerable loss of life, including the hijacker. The joke in the Embassy became that the only worse thing to being hijacked by Palestinians was to be rescued by the Egyptians.

I should mention my views of the status of the peace process in the 1985-86 period. This was six-seven years after Camp David. The major activity in the peace process was Taba, which I have already described. We witnessed the beginning of Israeli tourism, not so much in Cairo, but in the Sinai. The Israelis had developed some resort areas there and were now coming back to enjoy them. I can recall one incident involving some Israelis and one very nervous Egyptian guard. He ended up shooting and hitting about seven tourists. Then the Egyptian military moved in and refused anyone else access to the location of the incident. Unfortunately, without medical assistance, some of those tourists bled to death, according to the Israeli government. What made it even more tragic was that the Israeli tourist group did have a couple of doctors with it, but they were not allowed to administer to the wounded. One of the problems was that the Egyptians used assignment to the remote areas of the Sinai as a way of getting rid of some of their less acceptable soldiers. Communications were very scarce and primitive. So the incident could not have happened in a worst case and under a worst scenario.

On the other hand, very few Egyptians were visiting Israel. The Israelis kept emphasizing the desirability for mutual tourist trade now that a peace accord had been signed. But, for their own reasons, the Israelis made it very difficult for Egyptian Copts to visit Jerusalem. Egyptian Copts had been in charge of the Church of the Holy Sepulcher until the 1967 war. After that war, the Israelis put Ethiopian Copts in charge of the Church. I discussed this policy change with Pope Shanuda -- the head of the Egyptian Coptic Church. He wasn't upset by what had happened twenty years earlier, but he had been told by the Israelis to use the right procedure to get the Church back. The Pope had done that; he had gone to the courts, all the way to the Israeli Supreme Court. That Court had ruled in favor of the Egyptian Copts and had ruled that the Church should be returned to the control of the Egyptian Copts. Then the Israeli government refused to implement the court's decree. And that was the situation still in the mid-1980s.

I was frequently involved in Egypt-Israel relationships. We saw the Israeli Ambassador frequently either in our offices or on his. His Chancery was in a heavily fortified building, whose owner kept trying to evict the Israelis. Unfortunately, the Ambassador's wife had Alzheimer's disease, which kept him busy trying to take care of her. He stayed in Cairo for a considerable period, which was fine with him; he happened to be one of Israel's leading experts on the Arab world -- he spoke several Arab dialects. He would vary his public addresses going from one dialect to another. The Egyptians appreciated his versatility, although they would have preferred

it if he would just express himself plainly in one language instead of playing language games. Of course, the role of an Israeli Ambassador in Cairo was not easy. In addition to the sometimes tense relationships between the two countries, he was not the Taba negotiator, which at the time was the central issue between the two countries. The Egyptians did not go out of their way to make his life any easier; not many would, for example, attend the Israeli National Day, especially most government officials. The Minister of Agriculture, who had a lot of contact with the Israelis on technical matters, attended, but not many others.

This might be an appropriate point at which to describe the Embassy's role in the negotiations. I mentioned that the lead US negotiator was Saefer, the Department's Legal Advisor. The Embassy would attend all the negotiating sessions. We would brief the Washington delegation on the Egyptian views as would our people in Tel Aviv for the Israeli point of view. Rabie Sabel, who was the Israeli Legal Advisor, was the chief Israeli negotiator and Al-Arabi who was the Egyptian legal Advisor. In addition, each delegation had military advisors who were expert map readers and archeologists. Some of the advisors changed as governments changed, but the main personalities remained essentially. Most of the sessions were held at the Mina House.

I suggested before that the central charter that we followed was the Camp David Accords. We were promoting the peace process and supporting any steps that would maintain the momentum, little as it was. We were conscious of Sadat's statement that "My generation made peace; the next one will make friends". Although we always had the peace process in mind, it was difficult to keep the Egyptians engaged in it outside of Taba. We believed that once that issue had been resolved, perhaps other steps could be undertaken. As far as Egypt was concerned it was the *sine no quo* for further movement.

We worked hard trying to smooth the way for the construction of GM plant. That happened finally four-five years later. It was to be an assembly plant to finish a car, using kits sent from the US as well as components manufactured in Egypt. Those components were to be used both in Egypt and in Europe for an Opal assembly line. That production would give Egypt an export base. The completion of the deal was extended for years because the Egyptians refused to reduce the tariff rate on the imported components.

The Egyptians were very reluctant to have us involve ourselves in intra-Arab affairs. They were still on the blacklist, but they did not want us to try to help them. Mubarak's position was that Egypt was important to the Arab world and that therefore he would not ask to be reinstated into the Arab League; he would of course consider any offer that the League might make, but he would not seek re-admission. He believed that eventually the Arab world would realize that the ostracism of Egypt was a mistake and would seek Egypt's return to the fold. And in fact that is exactly what happened.

I found the Egyptian government very much a government of personalities. The Foreign Minister, Esmat, now the Secretary General of the Arab League, was a very accomplished diplomat. The Minister of State for Foreign affairs was Boutros Boutros-Ghali, now Secretary General of the UN. Boutros-Ghali was relegated to handling African matters; i.e. the countries that had shores on the Nile and its tributaries. That was the extent of his jurisdiction which did not make him a happy man. He tried to become the UN High Commissioner for Refugees; we

recommended to Washington that the US support his candidacy. Washington was very much opposed to the idea. There were many accusations made of a personal nature, which I thought was really uncalled for a man who had taken a lot of risks over the years to maintain good Egypt-US relationships. His personal situation in Cairo was a tenuous one; he was a Christian married to a Jew in an Arab country. I believe that he was quite hurt by some of the personal accusations he had to suffer. He may have been over-sensitive, but he believed, and I would agree, that he deserved better treatment. The US did not support Boutros-Ghali both because of these personality allegations and because he was an Egyptian; i.e., not a citizen of an aid donor country. It was considered poor policy to have a representative of a non-donor country in charge of the UNHCR program.

The Embassy had a couple of very good officers who followed domestic Egyptian affairs closely. There was a husband-wife team in the Political Section who did some very good work. We concentrated on fundamentalism, but also looked at basic social problems. We were interested in the daily life of an average Egyptian. We did not spend much time worrying about political parties because they were not a factor in Egypt's political life. The social conditions were the important aspect of life that attracted our interest. I already described my closest encounter with fundamentalism as it impacted on the alleged personnel practices of an American firm. The Embassy itself was accused of favoring Copts over Muslims. Before my time, I was told that even the Egyptian government had raised some questions about our employment practices. In fact, the Embassy did have more Copts in high paying positions. I started a review of this issue and found that one of the reasons for this seeming discrimination resulted from the educational process. The Copts were just better educated and were less reluctant to work for the American Embassy. During this examination of our personnel practices, I came to the realization that all of the people in the personnel office were female Copts. So I issued an instruction that the next person to be employed in that office had to be a male Muslim. I was told that just couldn't be done. But it was; both the man and the women were uncomfortable with each other, but the employment patterns began to change. Of course, I am sure that the personnel people were also aware that I was watching employments carefully; that surely also had an impact. Everybody knew what my policy was and I think that the Muslim man in personnel was well aware what was expected of him.

I might say, as a final point, that even in 1986 we were trying to beef up the Commercial section of the Embassy in an effort to increase American investment in Egypt and trade between the US and Egypt. That goal in recent years has become fashionable around the world, but we were already making an effort in Egypt in the mid-80s.

PETER DAVID EICHER
Political Officer
Cairo (1985-1987)

Deputy Director of Egyptian Affairs
Washington, DC (1987-1990)

Mr. Eicher, son of an American oil geologist, was born in Saudi Arabia and raised in the US and abroad. He was educated at McGill University, the University of Pennsylvania and the University of California, Los Angeles. Entering the Foreign Service in 1973, Mr. Eicher became an Africa and Human Rights specialist, serving at posts in Fiji, South Africa, Nigeria, Egypt, Switzerland as well as in Washington and at the United Nations in New York. Mr. Eicher was interviewed by Charles Stuart Kennedy in 2007.

Q: And wither?

EICHER: Cairo, Egypt, which was quite a change for me and the reason for the change was really more personal than political. I still liked African affairs but I had gotten to the stage where my children were too old for the American schools in Africa, which usually didn't go beyond elementary school. My oldest son, Cameron, would be going into his junior year of high school the following September and the other two boys, Nicholas and Jeremy, were also growing up. So, I turned down a little African DCM-ship since I didn't want to think about putting my kids in boarding school or going off on an unaccompanied assignment. What I really wanted was the Africa job in London – that was a great job in a great place, following African Affairs out of the political section in London; I'm not sure the position still exists. But it wasn't coming open for another year. The Africa bureau asked me to extend in UNP, but they weren't willing to commit that I'd be their candidate for London if I did. We'd been back in the U.S. for four years already and felt like it was time to go back out. And, since my oldest son was about to start his junior year, we felt like we should either transfer now or wait another two years and let him finish high school in the States; we didn't want to move him for his senior year. So when it was time to bid, I looked around at the various possibilities. There was a job that looked interesting in the political section in Cairo. It was still Africa, even if it wasn't in the Africa Bureau. NEA (the Bureau of Near Eastern and South Asian Affairs) seemed like it would be an interesting area to work in, and this was one of the rare political positions in NEA that didn't require Arabic, so it wasn't a life-time commitment to the Bureau. Most important, Cairo had a good American school all the way through high school, which, as I said, was a must for us. And it just sounded like a good, fun place to go. I had lived in Cairo when I was a little boy and had left there when I was six, and we once had a lot of family members there, although not any more. So for me, there was something nostalgic about Cairo. And my wife was enthusiastic about the idea of Cairo, much more so even than I was. It was one of those exotic cities that held an allure for her and that she had always wanted to visit. So, I bid, and NEA offered me the job and I accepted.

Q: So what was your job?

EICHER: I was political officer and my portfolio was Egyptian foreign affairs. I had the only non-Arabic designated position of the six positions in the political section. I didn't have to learn the language because I would be dealing mainly with the Foreign Ministry, where everyone spoke English. My main job by far was following, and even participating in, Egypt-Israel relations. Egypt and Israel had signed the Camp David Peace Accord a few years before so they were at peace. But it was a "cold" peace. They really didn't get along at all. The U.S. had invested a lot in the peace agreement and was determined to make it work and to try to get the two countries to have better relations. I think we wanted that much more than either of them did.

There was what we called a “basket” of problem issues that continued to trouble the relationship and I spent most of my time working on those. The biggest issue by far was Taba, which was a tiny little triangle of land, only about six or eight hundred meters of coastline, right on the Sinai border between Egypt and Israel. Taba was just south of Eilat, on the Gulf of Aqaba. Under the terms the Camp David Treaty, Israel was supposed to withdraw from all of the Sinai that it occupied during the 1973 war with Egypt. Well, the Israelis had built a hotel while occupying Sinai, a Sonesta Hotel, a beautiful hotel, on a nice little beach in Taba. The Israelis insisted that “no, no. This is really part of Israel, not part of Egypt.” When they withdrew from the rest of Sinai, they did not withdraw from Taba, which they said was on their side of the border. So we were trying to find a solution for the Taba problem. I ended up being deeply involved in that for five years, not only while I was in Cairo, but all through my next job, as well. The issue ultimately went to international arbitration and Taba was eventually returned to Egypt, but that was still many years of work away when I got to Cairo.

Q: What was happening with the hotel? Was it still being used by the Israelis?

EICHER: It was still being used by the Israelis, yes. In fact, this is the same hotel that had a big terrorist attack on it, I think two or three years ago, with many people killed, and the hotel wrecked. The Sonesta in Taba was at the time by far the nicest hotel in Sinai; the other places were pretty much hovels, catering mainly to backpackers and low-budget scuba divers. Since then, the Sinai has been developed with many fancy big-name hotels, but at the time the Sonesta in Taba was the only good hotel. So it was attracting tourists from Europe and from Israel. We would sometimes have our negotiating sessions right there at the hotel. While Taba was under Israeli control, they allowed topless bathing on the beach, in normal European style, which supposedly scandalized the Egyptians. At least the newspapers always made this part of their stories when they covered Taba; I never remember seeing anyone topless there, and the Egyptians negotiators certainly weren’t scandalized about the idea.

Q: You were in Egypt from when to when?

EICHER: From summer 1985 until the summer of 1987.

Q: Who was the ambassador?

EICHER: Most of the first year I was there it was Nick Veliotis, until he was replaced by Frank Wisner, my old friend from Crocker’s “team” in the Africa Bureau.

Q: Did the Achille Lauro thing happen while you were there?

EICHER: That happened while I was there, in fact, just a few months after I got there.

Q: Let’s talk about your piece of that nasty business.

EICHER: This was in fact, one of a constant series of little crises that happened during my two years in Egypt. It seemed to be just one nasty event after another after another. All of us there in

Egypt were following the *Achille Lauro* very closely, minute-to-minute even, but we there wasn't a lot we could do from Cairo.

Q: You might explain what this was.

EICHER: The *Achille Lauro* was a cruise ship, an Italian cruise ship, doing a Mediterranean cruise. It was hijacked by terrorists from a Palestinian group, the Palestine Liberation Front, I think, after it had docked in Egypt and then set sail again. They hijacked the ship and made some demands, I don't remember exactly what their demands were, probably the release of prisoners by Israel. While they held the ship, they murdered an old man named Leon Klinghoffer, an invalid in a wheelchair, who they dumped overboard. They chose Klinghoffer because he was Jewish. I do remember being in the embassy on duty as we were following this; I can't remember whether I was the duty officer or part of an embassy task force, but I was sitting in the Ambassador's office and we were trying to get news and information from the Egyptians and the Operations Center, and from other embassies and so forth. In Cairo, it was really more following it from afar than being able to do very much with it. It must have been October, because I remember Ambassador Veliotis asking us to be sure to get the latest World Series scores every time we talked to the Operations Center at State! That was before the days when you could call news up on the internet or watch CNN.

In any event, the hijackers eventually cut a deal and surrendered in exchange for safe passage to an Arab country, but while they were flying there – to Tunis, in an Egyptian plane, I think – the plane carrying them was intercepted by American jets and forced to land in Italy, where they were arrested. That strained our relations with Egypt a bit. The incident also had an effect on tourism to Egypt, and to the Middle East in general. The incident showed that the Middle East was a little less stable, that the kinds of things you did as tourists were perhaps a little less safe and a little less attractive to tourists. So, the *Achille Lauro* was the first of several incidents that affected Egypt that way while we were there.

I say there was a series of these things. I'm not even sure I can remember what they all were. Not long after the *Achille Lauro* came the downing of Pan Am flight 103, which was followed by the U.S. bombing of Libya in late 1985 or early 1986, I think. Then, later in 1986, the Israelis bombed the PLO (Palestine Liberation Organization) headquarters in Tunis. The PLO had moved there from Lebanon a couple of years earlier, after Israel invaded Lebanon. None of these events were centered on Cairo, but they had their effects there. It was a time of great turmoil in the Middle East. The bad atmosphere made it hard to generate any movement in the peace process or on the littler issues I was dealing with. And, again, it all affected tourism, which was suffering very much in Egypt during the time I was there. Having all the hotels and markets empty was actually a bit of an advantage for those of us living there – there were discounts on Nile cruises and hotels, and the country wasn't crawling with tourists – but it was very hard for the Egyptians.

The biggest event from the political perspective was the Egyptian police riots, which happened while we were there. It was the spring of 1986. The Egyptian security system at the time included a huge police force, which, like the army, was staffed with conscripts. The police were second class citizens compared to the army, so you had this enormous group of very young,

poor, uneducated, conscripted, armed policemen all over the country, carrying guns and wearing black uniforms. These poor young guys would stand outside government buildings and on street corners, and even in front of the American school all day. It was incredibly boring and ill-paid work, in the Cairo heat and dust. At one point when we were there, one of the policemen in front of the American school fell asleep on his gun and shot himself by mistake. That caused an uproar among the Americans and the embassy asked that the bullets be taken out of their guns. In any case, if you were a better-off Egyptian, you would find a way to get into the army rather than the police. So the police force was really made up from the lower classes, generally not well educated, and they received very poor payment and very poor conditions of service. So, in the spring of 1986, they rioted. I think the riots were sparked by a rumor that the term of service for conscripts in the police force was going to be extended from one year to two years.

The riots were very dangerous for the government and for everybody. Right in downtown Cairo there were gun battles in the streets. The army finally came in and put the riots down but it took many hours for them to regain control. The embassy went into lockdown, with armed guards everywhere. We couldn't travel back to our homes because the streets weren't safe. We finally were able to get back home to the suburbs late in the evening after the army organized a military convoy for us, led and followed by armored vehicles. There was a curfew and the streets were blocked off. Meanwhile, while we were stuck in the embassy, back in the suburbs there was also fighting and rioting, right around the American School. We lived only about two or three houses away from the school and my wife ended up with a house full of kids who took refuge in our place rather than try to get to their own houses further away. My wife went and shepherded them out of the school and through the gunfire to the house. Really, it was quite an experience. Things did calm down finally and got back to normal again, but it took a while. I think the embassy was closed for several days, and they even organized convoys to the commissary so people could buy food. Tourism never did recover in my two years in Cairo. All in all, it was quite an event and perhaps the biggest threat to Mubarak during all his many years in power before and since.

Then there was yet another terrorist incident in Cairo, targeting embassy personnel, which hit very close to us. The embassy RSO (Regional Security Officer), Dennis Williams, who was a very close friend and neighbor of ours, and a couple of other friends were driving to work one morning down the same route that we all took every day to get to work when his car was attacked by a well organized group of terrorists. There were apparently two or three little groups of shooters, some in a car and some on the roadside, who tried to run them off the road and shoot them. Denny Williams was driving – fortunately, because as RSO he had had all kinds of training in defensive driving in such situations – and he was able to head them off and pull the car out of danger. But, he didn't get away until he himself and one of the other had been shot, each of them slightly wounded in the head. Another inch or two and they would have been killed. The car was a wreck, full of bullet holes. It's amazing they escaped. The incident really shook up the Embassy community, of course, and led to lots more security measures. It shook us up as well, since we were so close to Denny and his family. It was my wife who went and got his kids out of school that day. I guess we realized it could have been any of us. I passed along the same road, that same morning, in a different embassy vehicle. I believe they eventually caught the terrorist cell that did it, which apparently was busy planning another attack on embassy personnel.

So, there were many incidents while we were there that put the Egyptians, and the international community, and us, on edge. After saying all this, I guess I should add that despite all the incidents, we did generally feel safe in Cairo. It was not a high crime city and in general we would walk the streets and do what we wanted without any particular fear. In fact, walking around the neighborhood after dark, the main thing we had to worry about were dogs. Maadi, the suburb where all the embassy families lived, had lots of stray dogs which would lie around quietly in the daytime, but then at night they would gather and run in little packs and might attack people. So, we used to carry long bamboo canes, which were actually designed to drive camels with, when we walked at night, in case any hostile dogs turned up. Sometimes the problem got so bad that the embassy would partner with the local police to go around and shoot the dangerous strays at night. I believe the embassy supplied the ammunition and the truck to pick up the carcasses.

Q: What was your impression of the staffing and the attitude of the foreign office officials, the Egyptian ones?

EICHER: They were amazingly competent, amazingly good at what they did. It seemed like all of them had been educated at Oxford or Cambridge. They spoke English as well as we did, to the point that they could conduct negotiations in English, down to the point of correcting grammar and so forth. So, they were really first-class professionals. A couple of the people I dealt with from time to time later ended up as foreign ministers even. It was quite something. They were all friendly and accessible, because Egypt's relations with the U.S. were very good at the time. But there was sometimes an undercurrent of hostility that the U.S. was really siding with Israel more than Egypt, which, I guess, was true. And, a lot of them had come of age during the Nasser years, so while they were friendly, you could sometimes get the feeling that they were not as pro-Western as their government's official policy was.

Because foreign affairs and the Arab-Israeli conflict were my portfolio, I ended up spending a lot of time taking notes in very high-level meetings. From the Washington point of view, the most important part of our relations with Egypt was ensuring that it remained in a good relationship with Israel. There were a lot of meetings with President Mubarak, a lot of meetings with his foreign minister, Abdel Meguid, and a lot of meetings with Boutros Ghali, who at that time was deputy foreign minister. I got to know them a little and got to know their staffs quite well.

There was an endless string of high level American visitors to Egypt, as well. That kept me very busy because I was constantly appointed as control officer. Since most of the official visitors to Egypt said the main reason they were coming was to discuss the peace process, it always seemed to be, "Eicher, this one is yours." I actually kept track and in a two-year tour – about a hundred weeks – I was control officer fifty times, for fifty visitors or delegations! Many of these visits were for the Taba negotiations, but there were lots of others, too – codels and staffdels and visitors from the Department and others. I spent an enormous amount of time on visitors, which had the advantage of getting me into lots of high-level meetings, where the action was. But it had the disadvantage of having many, many weekends taken up with visitors.

Q: During the time you were there, how stood relations between Egypt and Israel and were there any developments during your time?

EICHER: There was definitely a peace process, or a so-called peace process, underway but it wasn't really going anyplace. It was more smoke and mirrors. I came to understand the importance of having a process to point to and that it's better to have something than nothing even if it's not going anyplace. If there were no peace process, there would be no hope, and violence would be the only alternative left open for people unhappy with the current situation. So, with great fanfare, there was a lot of effort to move things forward or at least to make them look like they were moving forward. At the time, much of the time I was in Egypt, there was a Likud government in Israel, or a national unity government including Likud, and things just weren't moving. The Israelis didn't seem terribly serious about the peace process. Egypt, for its part, could have done much more, as well. You know, Egypt seemed to sort of take the attitude "OK, we recognized Israel, we are at peace. What more could you possibly want from us? This can't be a warm relationship as long as our Arab colleagues don't join in, and as long as the Israelis keep mistreating the Palestinians." The Israelis took the opposite view. They felt like they had given up Sinai for peace with Egypt, but all they had gotten was a "cold peace, with no friendliness or goodwill in the relationship. Often, it felt like we Americans wanted a solid peace more than either of them did.

As I said, there was this "basket" of Egypt-Israel issues that I was working on, in addition to Taba, that were supposedly the sticking points in the relationship. They were interesting things that were passably important but which, I think, to a large extent were used as excuses by one side or the other not to move forward on other things or to score political points about who was being flexible. One was a monastery in Jerusalem called Deir Sultan. Actually "monastery" is too strong a word. It's sort of a very small couple of structures on the roof of the Church of the Holy Sepulcher in Jerusalem, really a couple of rooms. It had been the property of the Egyptians Copts and, I think, after the 1967 War the Israelis had given it to the Ethiopian Copts, who maintained possession. The Egyptians were insisting that Deir Sultan be given back to the Egyptian Copts. You can imagine how useful and productive it would be for the U.S. to get involved in the question of which denomination owned what portion of the Church of the Holy Sepulcher. You know, this was going to go nowhere. I don't know if they've resolved it yet. That whole church is a political bombshell. It's supposedly built on the site where Jesus was crucified and the tomb in which his body was laid. The Church is controlled by three of four different denominations – Greek Orthodox, Armenian Orthodox and Catholic, I think. They can't even agree with each other to make necessary repairs, so, for the holiest site in Christendom, the church is really kind of a mess. Anyway, we had a lot of discussions about that that didn't produce anything.

There were a few other issues, too. One was an Israeli submarine that had sunk or been sunk in Egyptian waters during one of the Egypt-Israeli wars. The Israelis wanted permission to search for it so they could recover the remains of their sailors; the Egyptians thought this was just an excuse for the Israelis to spy in Egyptian waters around Alexandria. I think we did finally get permission for a search but I can't recall if they found it. There was also a dispute over a Jewish cemetery in Cairo. The Egyptians wanted to bulldoze part of it because it was in the path of a highway they wanted to build; the Israeli saw this as desecration. The cemetery was an incredibly run-down place, with people living in it. Squatters were actually setting up housekeeping inside the rundown mausoleums, as they also do in the Islamic cemeteries in

Cairo. We got involved in a possible solution that would have the highway built over the cemetery on narrow pillars, so that the cemetery could be left largely intact. Yet another issue was a few missing Israeli servicemen from the wars; the Israelis didn't think the Egyptians were doing enough to try to locate and return the remains. There were a couple of other issues like that, as well, but I don't recall what they were. To have the Americans involved in all these little bilateral issues was, I guess, a good demonstration of both how weak the bilateral relationship was despite the peace treaty, and the extent to which the U.S. was up to its ears in trying to make the relationship work.

Q: It seems like, in a way, that maybe the Egyptians and the Israelis both got what they wanted but their constituencies kept these things going because certainly a hotel or a couple of rooms don't sound like world shaking issues.

EICHER: No, they shouldn't be world shaking issues. And, I think the Israelis in particular were disappointed. They felt like they had already given up all of the Sinai, which was important to them. There were even Israeli settlements in Sinai that they had to dismantle. So, sure, they should never have been built settlements in occupied territories in the first place, but the Israelis believed they had really made that sacrifice for peace and were not getting a real peace in return. The Egyptians, for their part, you know, they would point to Sadat having been assassinated and how they had been ostracized from the Arab world, so they felt they also made sacrifices for peace. On the other hand, the Egyptian leadership when I was there, Mubarak, certainly didn't seem to be a Sadat in terms of having a vision and of really wanting to change things and have a warm, friendly peace with Israel. The attitude seemed more like "how little can we do without upsetting the Americans too much?"

Q: What was your impression of our presence in Egypt?

EICHER: At the time I was there, Cairo was the biggest American embassy in the world. That was mainly because of the enormous aid programs, both military aid and civilian aid, which began after the Camp David accords. So there was a huge USAID mission and a huge military assistance mission, which actually dwarfed the size of the State Department portion of the Embassy. Both of those were our biggest programs in the world outside of Israel. For Israel, I think our aid program was mainly a question of writing checks rather than actually administering programs, like in Egypt. So it was a very big, very high profile kind of American presence. Essentially, the American relationship with Egypt was a good relationship. The Egyptians seemed to like us, they seemed to welcome us. They realized that they were getting positive things out of the relationship. And, the Egyptians are very hospitable, friendly people. So, I think, all in all, it was a good relationship.

Q: Looking at foreign relations, what were you getting about Egyptian Libyan relations?

EICHER: It was certainly not a front burner issue. Egypt's relations with Libya were strained because of the peace with Israel, and maybe over other issues as well, but I don't really recall any big problems at the time. I think the Egyptians regarded Qaddafi as kind of a nut case, as we did. They would try to explain to us how to understand the Libyans.

Q: Was the Non-Aligned movement still in place or had that gone?

EICHER: It continued to exist but not in the same kind way it might have ten or twenty years before, under Nasser. As we looked at Egyptian foreign-policy, it could be described as sort of concentric circles. The inner circle, the most important, was Egypt's place as part of the Arab world; those were the most important issues to the Egyptians. The next circles were the Egyptian place as part of the Islamic world and as part of Africa. Egypt was interested in African affairs and played a part, but it wasn't really at the center of their foreign policy. In the UN context, Egypt was part of the African group, since there is no Middle East group at the UN.

Q: Did Egypt have much reach within the Arab world at that time or were they still being basically boycotted?

EICHER: I think the boycott was beginning to break down. I don't think the Arab League had moved back to Cairo yet, which had been its headquarters before. But Egypt was, and still is, I guess, far and away the biggest Arab country in population and economy too, I think, if you put oil aside. So I think Egypt was just a country people had to deal with. The Egyptians knew they would be fully reintegrated into the Arab world sooner or later; they were just too important to be left out permanently. I can't remember when the Arab League moved back to Egypt. But Egypt certainly was involved with the other Arab countries and with the Palestinians. The Egyptians were always trying to broker a peace between the U.S. and the Palestinians because, at the time, we were not yet speaking to the PLO at all. The PLO was a terrorist group that, as a matter of U.S. policy, we couldn't deal with. I remember many meetings at which the foreign minister was trying to convince American visitors that the PLO was really very moderate and giving us the names of PLO leaders that we ought to be meeting with, in particular Abu Mazen, who is now President Abbas.

Q: Did you have any dealings with the Israeli Embassy?

EICHER: Yes. I was meeting with the Israelis all the time. Since my job centered on Egypt-Israel affairs, we always had things to work on together, all the issues I talked about before. I got to know them all.

Q: How would you describe the Israelis at the embassy, both the operation and their attitude in a semi-hostile area?

EICHER: They were one frustrated bunch. It was a very small embassy, only three or four substantive people. And, you know, they were trying to operate as a normal embassy but they just did not feel like they were getting anything done. And, of course, they had to be very careful about the security situation. I think there were a couple of attacks on the Israeli embassy or its personnel.

Q: Did Egypt and the United States get involved in African issues together?

EICHER: Not in any significant way that I can remember, no. I know that we were dealing with the Egyptians to support the Afghan rebels against the Soviets at that time, funneling assistance

through them. This was more of an intelligence operation than a State Department one, so it was not something that was coming across my desk as a work item, but I did hear it mentioned and it was one of the types of cooperation that we were involved in with Egypt. I don't remember any African operations. I remember that there were occasionally African issues I would deal with since I remember going to meet the foreign ministry people who dealt with Africa, but I can't remember what issues, probably Chad, if I had to guess.

Q: How was life there?

EICHER: Life was wonderful. Life was really very nice. There was a very good American School and nice housing, once we finally found a place. There was a friendly population, wonderful things to see and do, good food, nice bazaars. The kids made friends and were involved in little league and soccer teams and all the kinds of activities you can have in a place with a big American community. My oldest son got very involved in stagecraft at the school. He graduated from high school there, in a great ceremony at the pyramids. My middle son was much involved in boy scouts and used to like to go camping in the desert. The kids were all involved in something called the "24 hour marathon," a very neat event at the school where teams of kids – and adults, even – would run relay laps for 24 consecutive hours. My wife got a job she really liked as activities director at the Maadi house, the embassy recreation facility. There were lots of excursions to take to the pyramids and many lesser known ancient ruins near Cairo, plus mosques, and ancient Christian Cairo and sailing on the Nile and other things to do. The bazaar was great; my wife would never get tired of going there. There were also longer trips to the beach, to the Sinai, to upper Egypt. We also went to Alexandria a few times; I was acting consul general there for a few days when the CG was away. We took a trip to Israel, driving there, which was very unusual at the time, with some other embassy friends. We went for Christmas in 1986 and spent Christmas Eve in Bethlehem, which we found to our surprise was more like Grand Central Station than like "silent night, holy night." In fact, that was the last year before the first *intifadah*, or Palestinian uprising. After that, it was no longer possible to do that visit for many years because of the unrest in the occupied territories. So, we really loved life in Egypt. It is really very, very nice indeed.

Q: After that where did you go?

EICHER: After that we went back to the United States again. I had been selected to be the special assistant for the Middle East peace process, which sounded exciting to me. The peace process didn't look as if it was really going anywhere, but it was always fun to be in the middle of big political events, and Arab-Israeli affairs are always right up there near the top of the U.S. foreign policy agenda. I was just about to leave Cairo to go back to the States when I got a call from the Department saying "Eicher, we want you to be the deputy director of Egyptian affairs." Well, that was an honor and I couldn't really say no to NEA (the Bureau of Near Eastern and North African Affairs), which was now my "home" bureau. But I did say that I had really been looking forward to starting the peace process job. "Don't worry," they said, "we are combining the two jobs and you're going to have both jobs, so you'll wear two hats." So, I went back as the deputy director of Egyptian affairs, but the biggest part of my job was to work on the Middle East peace process. So it was kind of the best of both worlds. It was a very nice position. NEA/EGY (the office of Egyptian affairs) was an office of five people. So, I had some

supervisory duties and some general and administrative issues and all the other many things that come up on a country desk. But, most of each day I spent working on Middle East peace process issues.

Q: You did that from when to when?

EICHER: From summer 1987 to summer 1990.

Q: Who was the director?

EICHER: The Director of Egyptian Affairs was Tezi Schaeffer for the first two years and then Melinda Kimble after that. The front office was a changing variety of people. There was a deputy assistant secretary (DAS) for the peace process, who was Bill Kirby for most of the time I was there. There was also a DAS responsible for Egypt and other countries, Ned Walker. So, depending on what issue I was dealing with, I would be reporting to a different DAS, which was a bit unusual. Eventually, I think the last year I was there, the two DAS positions were combined, and Dan Kurtzer came in to fill the combined position. The NEA Assistant Secretary for most of my tenure was Richard Murphy, who was eventually replaced briefly by Ed Djerejian and then by John Kelly. So this included a lot of big names who were fun to work with.

Q: During this time, let's take first Egyptian affairs. Were there any particular developments?

EICHER: There was always a lot going on with Egypt; it was a very broad and deep bilateral relationship. On the desk I got a much broader view than I did from the embassy, where I had a compartmentalized portfolio. Cairo was still the biggest American embassy in the world and our foreign assistance program to Egypt was the second biggest in the world, after Israel. We had a wide range of economic issues to deal with, an IMF program that seemed to be in trouble a lot. There were many political-military issues – we were reaching an agreement for the Egyptians to manufacture Abrams tanks. The Egypt desk seemed to have an unusually close relationship with the embassy in Cairo, keeping them informed every day of what was going on in Washington on their issues. Of course, these were the same people I had been working with in Cairo on my last tour, so it was easy to keep working with them. We also had a close relationship with the Egyptian Embassy and worked with them a lot. There were lots of bilateral visits in both directions, so we always seemed to be briefing someone. There was even a state visit by President Mubarak, which was, of course, a tremendous amount of work. The Mubarak visit sticks in my mind mainly because all of us on the desk were invited to the White House. We didn't make the cut for the state dinner itself, but, we were invited to come later to join for the after dinner entertainment and dancing. It was a very elegant evening and a fun experience. I remember that there were lots of people crowding around President Reagan trying to shake hands or get a word with him, but Vice President Bush was wandering around by himself looking a little lost, so I went and struck up a little conversation with him.

Anyway, I'm digressing a bit. The biggest Egyptian issue I ended up spending a lot of time on while I was on the desk was Taba, which, of course, I was very familiar with from having worked so much on it in Cairo. The Taba issue entered a more intense level of activity after I left Egypt.

Q: Couldn't we just turn it over to the Hilton Corporation?

EICHER: It would seem to me that for the amount of time and effort we spent on Taba we could've bought the darned thing ourselves. What happened was that the Egyptians and Israelis – with a lot of American help and cajoling – finally agreed to an international arbitration to resolve the problem. So, first, we were involved in long and detailed negotiations surrounding the terms for the arbitration. The State Department's legal adviser at the time was a gentleman named Abe Sofaer. Judge Sofaer, as he liked to be called, took a great personal interest in the Taba question and dove into it head first. Once the two sides agreed to the terms of the arbitration, and the arbitration process was actually underway, Sofaer's goal was to try to get them to set aside the arbitration and to agree to conciliation instead. That is, conciliation would be an out-of-court settlement, and the idea was that if they could agree on an out-of-court settlement before the arbitration decision came in, everybody would be happier. It would show that the two countries could actually work together to resolve an important issue, which would build confidence to help resolve other problems, thus promoting better bilateral relations and a stronger bilateral peace than if one side won and one side lost. So, for most of the three years I was on the desk, it seemed that I was constantly jet-setting with Judge Sofaer back and forth between Washington and Cairo and Jerusalem doing these Taba negotiations, which was fascinating.

The negotiations themselves were interesting, with lots of legal and political issues, but even more so was how they reflected the troubled relationship between the two countries. Taba was a huge issue in the relationship – even more a symbolic issue than a territorial one – so the top people on both sides were actively involved. On almost every trip we were meeting with the Israeli prime minister, Perez and then Shamir, and with Rabin, who was defense minister at the time. We even had lunch with all of them together in the Israeli cabinet room one time – a very informal affair, with everyone stabbing pieces of chicken off a big plate in the middle of the cabinet table, with no niceties like asking the guests to serve themselves first. On the Egyptian side, the foreign minister was heavily involved. So, through the Taba negotiations we had a very special window on to the relationship and the personalities. It was fascinating to witness and to be involved in.

Q: Let me get this straight. You have a peace agreement, lines are drawn. All of a sudden you get this little exclusion there. I would think that anybody sensible would think that essentially the Israelis said, "Well, we like this and we're not going to give it up," and that if there is arbitration, it's obviously going to go to Egypt. Was that sort of the feeling on our part or what?

EICHER: Pretty much so, but with some nuances and lots of complications. The Israelis, first of all, didn't claim that they wanted it; they claimed that, in fact, it was always theirs. The location of the actual borderline was no longer clearly marked after the Israelis took over the Sinai in 1967; a lot of the border markers had been destroyed or removed or just disappeared over time. Remember, we're only talking about a few hundred yards here and it was a few hundred yards of barren beachfront that was completely undeveloped until the hotel was built. There were no inhabited dwellings or any population that could say "look, this is my house and it was in Egypt before the war." So, theoretically at least, there was room for dispute about exactly where the border line ran. The physical descriptions of the border that were made years before, when it was

demarcated as the border between Egypt and British Palestine, were vague enough that they could be subject to different interpretations. I remember that one of the key landmarks in descriptions of the border was a “rocky knoll” near the shore of the Gulf of Aqaba. But that coastline has more than one rocky knoll. So even though the preponderance of the evidence seemed to be on the Egyptian side, there was room for the Israelis to make a case. The Israelis also tried to inject the issue of equity into the talks; that is, the judgment should take into consideration how much they had improved the territory and so forth. The Egyptians totally rejected the equity argument.

It took us months even to negotiate the actual question to be arbitrated. If I remember correctly, the final agreement on the question to be arbitrated was basically a victory for the Egyptians. The arbitrators were to determine “the location of the pillars that marked the border between Egypt and mandated Palestine.” This basically reflected the Egyptian view that the Taba issue was strictly a territorial question and if you could determine where the pillars were, that would resolve the problem. It was also a nice little jab at the Israelis, since it didn’t even mention the existence of Israel; only of British Palestine. A concession to the Israelis was that the arbitration wouldn’t just be Taba, but it would look at the entire border, all the way from the Mediterranean to the Gulf of Aqaba. It was almost all empty desert; there were no fences along much of the border. As I recall, about 89 pillars had been erected to mark that border; a lot of them were still standing but many had disappeared. So the Egyptians and Israelis could present evidence to the arbitrators in regard to all the border markers, although Taba was by far the preeminent issue. It just took forever to get this agreement on the arbitration. And then we went into the conciliation effort, which, I think, had some attractions for both sides, at least enough to keep them seriously engaged. But ultimately, neither side could bring itself to make the concessions needed for conciliated agreement. It was easier for them, politically, to wait for the arbitration judgment and then say “we were forced to do this,” than to come to a happy agreement that involved even minor concessions.

Meanwhile, Israel at this time had a power-sharing government between its two major parties, the Likud and Labor. For the first two years of the coalition government Perez was prime minister and then he rotated out for the last two years and Shamir became prime minister, but always with both sides in the government. It was incredible trying to deal with the Israelis under these circumstances because you would meet with one set of people and they would absolutely assure you that this is the Israeli position and then you would meet with the other half of the government and they would tell you something totally different. The Egyptians just couldn’t have been more frustrated about this and sometimes put it down to Israeli bad faith, but they understood the political situation in Israel enough to know that it was a real problem. We were also often frustrated with the inability of the Israelis to come up with a common position. Sometimes, well, often, we would get the two groups of Israelis in the same room together – sometimes with the Egyptians there also – and the Israeli delegation then would squabble among themselves right in front of us and the Egyptians and never reach a conclusion. At times it didn’t seem like this was going anywhere and we should just let the arbitration run its course. But, Sofaer was determined to try to push the conciliation and I guess he was right that if they could’ve agreed, then maybe it would’ve been better for them to have an out-of-court agreement. So, anyway, it went on for a very long time. I learned an awful lot about international arbitrations.

Q: Who was running the arbitration?

EICHER: There was a panel of three arbitrators. Each side picked one and then those two picked the third one. I can't remember their names. We went through many different formulas before they agreed to this. Once they each chose their arbitrator, we put together a list of three to five others for those to choose from and they were finally able to agree. In the end, the arbitrators awarded Taba to Egypt and the Israelis withdrew. Israel did get rulings in its favor on two or three pillars elsewhere, in the middle of the desert, so they may have gotten a few yards of Sinai desert here and there in exchange for Taba. It was basically an Egyptian victory. The whole thing unnecessarily soured Egyptian-Israeli relations for years and contributed to the "cold peace." But, with the return of Taba, the withdrawal provisions of the Camp David peace were finally completed.

In any case, that's what I spent a lot of my time on while I was deputy director of the Egypt desk, Taba.

But, I also was able to spend a lot of time on the broader Middle East peace process. I was part of the small team at the Department that was trying to develop strategy about how to move things forward, or at least how to make it look like it was moving forward. Perception was very important. You had to have a process out there that looked like it had a chance of progress, or else the only alternative left was confrontation or violence.

On the more mundane level, I spent a tremendous amount of time writing talking points on the Middle East peace process because it seemed like every U.S. official in every meeting in every part of the world, always had to say something about the Middle East peace process and somebody had to tell him or her what to say. Since events on the ground changed slightly from week to week, I had this never ending job of making sure that whoever was speaking to whoever had precisely the right nuances to draw upon. I also did regular wrap-up cables to all diplomatic posts to be sure that our ambassadors were up to date on what to say when they met with foreigners. And, whenever a foreign embassy in Washington wanted a Middle East update, they would be referred to me, so I ended up getting to know lots of the embassy people around Washington, plus a lot of think tank people, who were always working on the Middle East.

Q: I was interviewing a lady who was a speechwriter for Secretary of State Christopher and she said that you had to be very careful because if in a speech you put glad instead of happy or happy instead of glad, this could mean something.

EICHER: It could. In the Middle East it was really something. You really had to learn the current formulas just right or you would step in a minefield and offend someone. Just as one example, if you said "the legitimate rights of the Palestinians" instead of "the legitimate rights of the Palestinian people" the Arabs would worry that the U.S. was taking a step backwards and no longer considered the Palestinians to be "a people," which had ramifications for their claim to an independent state, which – at that point – we didn't even recognize yet. Anyway, there were a lot of little things like that, and people were always getting themselves into trouble with one side or the other if they didn't stick closely to my talking points.

We did have one peace process breakthrough while I was working on the issue. We finally started talking to the PLO (Palestine Liberation Organization). For years the United States had refused to do this, since we regarded the PLO as a terrorist organization. This complicated any peace negotiations, of course, since you couldn't meet with or speak directly to one of the major parties to the conflict. So, there was a long, careful, back channel negotiation, through intermediaries, to break through this barrier. I personally was not involved in this, except a little bit at the Washington end. The goal was to get Yassir Arafat's agreement to renounce terrorism, in exchange for which we would open a dialogue with him and include him and the PLO in the peace talks. The deal was carefully negotiated. Arafat agreed to give a public speech on a set date at which he would renounce terrorism. Then it was choreographed that we would make our announcement of opening a dialogue with the PLO. I remember sitting there together with the Middle East peace process crew, I think in the NEA assistant secretary's office, listening to Arafat give his speech. CNN or somebody was covering it live. He was speaking in heavily accented, broken English. When he got to the crucial line, he was supposed to say "I renounce terrorism," but he actually said, quite clearly, "I denounce terrorism," which is quite a different statement. We all looked at each other and thought "oh, no, he blew it." Then, I think it was Dick Murphy, the assistant secretary who said, with a twinkle in his eye, "I heard him say it." And we all nodded our heads knowingly and agreed, okay, Arafat had renounced terrorism. So we opened our discussions with the PLO, finally. That actually did eventually lead to real progress and it was the start of the current, sometimes erratic negotiations with the Palestinians.

Q: Did you feel the hand of AIPAC (the American-Israeli Political Action Committee), or other American Jewish organizations or other organizations including right wing Christians from Congress or outside powerful pressure groups?

EICHER: Absolutely. I mean, this is just part of the landscape you had to deal with. You never wanted to upset AIPAC but, generally, administration policy was such that it wouldn't upset AIPAC, so it usually wasn't a problem in practice, although it did limit options for creative thinking and new directions. Again, the goal of the negotiations was often this idea of trying to keep something going, of just pushing and pushing, partly to make it look like something was happening, but also in hopes that maybe something actually would happen. It was important to have something out there in the form of a negotiating process that could attract people, so that violence wasn't the only answer. Of course, we were also pushing for a real solution, but often it seemed that the U.S. was more interested in a solution than the parties on the ground were. We had to keep reminding ourselves that it wouldn't work if we wanted peace more than they did. So, perhaps that's why it was called a process; it would go on and on. We'd keep trying to come up with new ideas, new approaches, to keep the parties engaged and to step forward, even in small ways. This sounds minimalist, but over time it has worked, at least to some extent. There's now peace between Israel and Jordan, as well as Egypt. The Palestinians are now actively engaged in the process. All the main players now accept a Palestinian state as a goal. So, the problem is far from solved; it's still a very dangerous place; but, you can see some progress in small steps, over time, and this is a result of keeping a process going.

I want to mention one trip out to the region with Secretary George Schultz which was tremendously interesting to me. Usually, I would not accompany the secretary on his travels.

But, this time Dennis Ross was on leave because his wife was having a baby and they asked me if I would go on the trip instead, which I happily did. Ross later spent years as the special envoy for Middle East negotiations, under both Republican and Democratic administrations, but at the time I was working on the issue Ross was first on the Secretary's policy planning staff working on the Middle East, and then at the NSC (National Security Council). Anyway, I hopped on the secretary's plane – which was an interesting experience in itself – and started with him on a Middle East mission. It was Easter time and we went first to Rome. I guess he liked to stop at the Vatican at Easter time. We had an audience with the Pope, John Paul II, who blessed our mission. That was quite a treat; in addition to the audience, we got an inside tour of the Vatican which took us to places not open to the public. Then we flew out to Israel. As we neared Israel, we were escorted by a bunch of Israeli fighter jets, which flew in formation just a few feet off our wing tips on each side, dangerously close, I thought; they were really hot-dogging. Anyway, it was Easter day and in the morning we were in Rome and in the evening we were in Jerusalem, which was quite a memorable Easter.

Then, we had a very intense couple of days of meetings in the region. I was supposed to stay in Jerusalem with most of the delegation while Shultz went on with a very small team to Jordan and Syria, but late the night before his departure they decided to include me in that part of the trip, in the place of someone else who suddenly had to stay in Israel. That was great, except that they forgot to inform me about it! So, early the next morning I was still peacefully sawing wood in my hotel room when I was woken up by a call to say I had missed the motorcade and had better get myself in gear since the plane was due to depart in half an hour. It seemed impossible, since it would take longer than that to get to the airport. But I rushed like crazy and they had a car waiting for me which broke all the speed records down the windy road from Jerusalem to Tel Aviv and I stumbled on to the plane just before they closed the door.

I'm glad I made it because it turned out to be one of my most memorable Foreign Service trips, to Amman and Damascus in one day, to meet with King Hussein and President Hafez al-Assad. There was a striking contrast in the two capitals. King Hussein was the urbane, friendly, polished Western-style king in his beautiful palace, which is really just a very nice, large house. There was even a tricycle out in the driveway. We sat around his elegant living room, which was light and airy and wonderfully decorated with beautiful rugs and talked about how to promote the peace process. He gave us a wonderful lunch right there in the house, many courses; I remember that he was served something different, and much lighter, than the rest of us. Then we were off to Damascus where we were received by President Assad in a joyless, windowless, undecorated room with Assad sitting in a sort of throne at the head of the room and the U.S. delegation sitting in rank order in easy chairs all the way down one side of the room and the Syrian delegation in rank order all the way down the other side of the room. The atmosphere was very formal and grim, in stark contrast to Amman. The embassy warned us that Assad meetings usually last hours; it's not unusual for them to last five hours or more. They warned us that they'll start serving you tea and coffee and juice as soon as you sit down, so be moderate in what you take because you can't get up and leave the room unobtrusively the way it is set up. The meeting was all done with consecutive interpretation, although Assad clearly spoke English, since he kept correcting the interpreters. After about two hours it was clear we had said all we needed to say and heard all we needed to hear, so the secretary edged up to the end of his chair, buttoned his jacket and was clearly getting ready to go. The whole American side of the room, you know, followed suit and

we were all sitting up on the edge of our chairs ready to go. Assad looked at Shultz and said, "You Americans are always in such a hurry. Where are you going that's so much more important?" So, Shultz said, "I'm not going anywhere," and settled back down in his seat, and the rest of us also sat back down. The meeting continued for another hour or hour and a half. We finally got up and left after about three hours or so, a little over three hours, and the embassy people told us it was one of the shortest meetings ever with President Assad.

Q: Did we have a plan? I mean there was one time when Schultz came out with a plan that Assad shot down.

EICHER: We must've had some kind of plan that we were presenting, but I can't remember specifically what it was. It's interesting because I was just thinking, what was the substance of this trip? And I cannot really remember; I'll have to try and go back and see if I still have notes from that era. If there was a plan I don't think it was ever one that we really expected to be the great Middle East breakthrough. It was more of a holding operation. I think it would be fair to say we had an approach rather than a plan. During my years the approach was usually to try to encourage confidence-building measures on both sides, before trying to tackle the much more difficult "final status issues." So, we were leaning on the Israelis to do things like rein in settlements and on the Arabs to take steps to begin dialogue with Israel.

Q: During the time that you were dealing with this process, were the Israelis on a fairly aggressive path of changing the geography, as far as putting in settlements? In a way, it seemed like every time we negotiate the Israelis are simply gobbling up territory.

EICHER: It was happening then, as well, and it was certainly an impediment to the peace process then as it is now. Absolutely. There were lots of impediments to the process. In fact, the first *intifada* started soon after I began working on the peace process; I think it was in the fall of 1987. I was actually in Israel at the time with Judge Sofaer. We had hoped to go to visit Bethlehem on a Saturday morning but then we were told that there was some rioting near there and so we probably shouldn't go, and we didn't. Well, in fact, there was rioting and it spread and became the beginning of the first *intifada*. After that, it became much more difficult to visit the territories.

Q: This was described as sort of the children's intifada, I mean with rocks. You know, it was spontaneous and difficult for the Israelis to deal with because these were kids.

EICHER: Certainly a lot of them were kids but I think there were also plenty of adults. The unrest took off and spread and lasted quite some time. Eventually, it calmed down but then started up again later.

Q: Did you have any feel for any Jewish influence in this whole process? We obviously have a significant Jewish element in the State Department and in the government. Sofaer sounds as though it might be a Jewish name.

EICHER: He was certainly Jewish.

Q: Did this ever play as a factor? How did this go?

EICHER: Well, it was no secret and it was part of the general background, but it was not something that anyone seemed much concerned with. U.S. policy was so pro-Israeli that the overall image was the same, whether the actors of the moment were Jews or Christians. As far as I know, we didn't have any American Muslims working on the peace process, or even in the State Department. Sofaer, was an example of a Jew who, I think, was if anything harder on the Israelis than on the Egyptians. One of the people who I worked closely with, Dan Kurtzer, was an Orthodox Jew who ended up being named ambassador to Egypt and then to Israel; he was a wonderful guy, well respected all around. So, no, I don't think that was a problem in practice.

Q: This wasn't seen as a bias factor or something like that?

EICHER: The Egyptians and Arabs probably saw it that way – sometimes, at least – but from the U.S. point of view, I don't think there was a bias among the State Department people I worked with. Where you saw the bias was among the think tanks and non-government groups, like AIPAC and others.

Q: Was there a sense of exasperation among policy-makers about the settlement process?

EICHER: I think there clearly was but I'm not sure it went beyond exasperation into effective action. Although we talked with the Israelis about ending settlements, I couldn't help thinking that the U.S. really needed to get tougher on Israel on this point in particular, which was clearly impeding the peace process and complicating a long-term settlement. On the other hand, you didn't necessarily get the sense of great Arab sincerity either. You never really got the feeling that if you got tough on Israel and finally got them to do "A" or "B" that the Arabs would accept it as a positive step and reciprocate. It was more a feeling that the Arabs would just pocket any Israeli concession and then make their next demand. That's why we were trying to get reciprocal confidence-building measures. But sometimes, often even, it seemed as if neither side was really in a sincere peacemaking mode themselves. So what we were doing was very much a holding operation, trying at least to make sure things didn't get worse and, to the extent possible to press for small steps forward.

You know, I learned a lot from the experience. First, as I've said, you can't be successful with a peace settlement if you want it more than the parties to the conflict do. We Americans were constantly in danger of that, in danger of over-reaching. We had to keep explicitly reminding ourselves that we seemed to want it more than they did and to be careful that our own hopes and desires didn't get too far out in front of reality, since that could set us up for a big failure which could really set back the process. Second, I saw how different the American mindset is from the Middle Eastern mindset, and the mindset in much of the rest of the world. Americans see a problem and our reaction is "well, let's solve it," and let's do so as quickly as possible. For much of the rest of the world there is not much expectation of "solving" problems. For them, the problem is often seen as a fact of life. In many cases the problem has been around for centuries and they think it will probably be around for centuries more. Maybe it will be solved some day and maybe not. The mindset isn't to "solve" a problem, but to manage it, or find a way to live with it, or maybe to make some improvements around the edges. That's not to say that problems

can't be solved, but that we Americans often go in with expectations that are too high and that our first challenge is often convincing people that a solution is even theoretically possible.

Q: You mentioned the Arab world. I know I was in Saudi Arabia one time back in the 50s. The Saudis could've helped the Palestinians significantly but in many ways keeping the Palestinian cause going without finding a solution represented, as I think it does even today, a source of unity for a very disparate Arab world which gives them something to focus on. You solve that and then you're left with all the sorts of other squabbles.

EICHER: I think there's something to be said for that. Look at things like the refugee problem. There are still Palestinian refugee camps in Lebanon and Syria 50 or 60 years after they left, despite the Arab oil wealth. These people could have been helped enough to get them out of camps and give them a decent life. I think there has clearly been a political purpose to be served by keeping them in refugee camps, and the result has been generations of increasingly radical, disaffected Palestinians.

Q: We're talking about 1990. Did you leave there before the Gulf War?

EICHER: Yes, I left the peace process/Egyptian affairs position immediately before the first Gulf War.

Q: Good timing. Where did you go?

EICHER: I got an Una Chapman Cox Fellowship, so I had a year off.

FRANK WISNER
Ambassador
Egypt (1986-1991)

During his 36-year career as a Foreign Service Officer and Washington bureaucrat, Frank Wisner put his Arabic training at Princeton to good use in places like Algeria, Egypt and Tunisia. He has also served in Angola, India and Zambia. This interview was held on March 22nd, 1998.

Q: Frank, as we turn towards Egypt and your stewardship there, do you want to step back and provide any insights on Camp David, because that sets the scene then for your time in Egypt?

WISNER: Yes, well, what can I tell you? Camp David, I hold today as one of the triumphs of American post-war diplomacy. It wouldn't have happened without Sadat, without Begin having a vision of the future, and without the two coming along at the time American diplomacy was properly disposed. Egypt having regained her self-confidence after the '73 war as a result of having acted strongly in the '73 war, the effect of American diplomacy separating the armies in 1973, all made it possible to get the parties to Camp David. There the negotiating brilliance of Cy Vance with his wonderful legal capability and, the President's determination, God-driven

determination to make it happen, made the difference. I remember many aspects of it, but I was principally backing up in the Department of State making certain the Secretary had the papers he needed, being focused on his brief, single-minded interest. But it became obvious afterwards that you could not spread Camp David. You could not carry it over to Syria the Egyptian - Syrian rivalry was such that Hafez Assad needed a better settlement than Sadat was able to get. Then it became inevitable that we seek an Egyptian-Israeli agreement. And I went with Mr. Vance, out once with him alone as we put the pieces together and then subsequently with him and the President to Egypt, to Israel and back to Egypt again where I was present when the Secretary, the President, Sadat on the phone in the Cairo airport, and Begin on the phone in Jerusalem came to the final deal which produced the Egyptian - Israeli treaty. The heroes of those days were our ambassador in Cairo, Roy Atherton; Hal Saunders brilliantly managing the Middle East account in the Department of State, Bill Quandt -- really first rate, first rate people -- Sam Lewis in Tel Aviv. We had a team on the ground that's never been rivaled, in my judgment, in our history in that part of the world.

Q: And then came the assassination of Sadat.

WISNER: Then tragically came the assassination of Sadat and an unsettled period and then Mubarak. And Mubarak started out quietly, very cautiously in a dangerous environment. Our relations with Mubarak went into a tailspin during George Shultz's negotiations in Lebanon. He felt Mubarak was going to support the deal Shultz brokered, but in the end Mubarak did not. Shultz took that very badly. But while our relationship wasn't great, Shultz was determined to repair it. And when I was asked to go to Cairo, to take Nick Veliotis' place, it was with a specific charge from Secretary Shultz to go out and repair the Egyptian - American relationship.

Q: How did you approach that?

WISNER: Well, with vigor. I had a lot of time to think about it. My nomination was opposed by Jesse Helms on the Senate Foreign Relations Committee. Behind that lay persistent Republican conservative opposition to my taking on another diplomatic assignment at a senior level, given doubts about what they saw as our policy toward and the role I played in Angola. I was criticized heavily at that end of the Republican Party for my work in Angola, and it stayed with me for some years. It didn't block another diplomatic assignment abroad, but it precluded my being able to serve either as assistant secretary for the Middle East [NEA] or Africa when Jim Baker became Secretary. The opposition to my views, seen to be pro-MPLA views, was garbage, never proven. I was pro-American interests and policies, of course. Thanks to the vigorous support of the Vice President, George Bush, who I admired and admire intensely; John Warner, Senator Warner, senator of Virginia, just a terrific man; they were able together to work out a way and Warner was at the cutting edge of bringing Helms around, and I was confirmed to go to Cairo.

I arrived in Cairo in the summer of 1986. Egypt was still reeling from the rebellion in one of its security forces. Many people wondered about Egypt's economy, Mubarak's longevity in power, and the relationship was overhung with a bitter dispute over our military debt. The Egyptians didn't think they should have to pay for military aid provided during Sadat's time; we had no ability to forgive it. And what I set about doing was an intense interaction with the leadership of Egypt, from the president on down, contacting the government, calling on everyone, trying to

make myself relevant, the United States relevant to as much of life and key decisions of the Egyptian government as possible.

Secondly to relate to Egyptians, I traveled all throughout the country and met people from every level of society. I tried to relearn and practice my Arabic. I fell in love with Egypt. It's a fabulous place. But keeping an eye on the central fact of building this relationship, it was clear to me that we had to focus attention on the performance of the Egyptian economy. Finding a way to advocate a move away from the state-controlled sectors of the Egyptian economy with its huge subsidies. Moving to a broader basis for the American relationship, not just an aid-dependent relationship, but while we had this huge aid program to make it relevant to Egyptian needs. To reduce the friction, to resolve the problems surrounding the many aspects of this billion dollar program. To keep a very careful eye on the Egyptian military and our huge billion-plus dollar annual assistance program to them of building up the Egyptian air force. I went out with the Egyptian army to their maneuvers and learned to know their generals, trying to engage, to create a strategic dialogue between the two countries. I was following very closely the diplomacy as we moved, during the late Shultz period, to see if we could get the Taba matter settled. I was heavily involved in that with Judge Sofaer and from that to trying to get a peace process up and running with the Egyptians, moving to bring along Arafat, on the one side, and us trying to nudge the Israelis forward, on the other, with the Egyptians playing an extraordinary strategic balancing role.

And last, certainly not least, was the tragedy that befell all of us in the summer of 1990 when Saddam lost his grip on reality, overplayed his hand, and occupied Kuwait. The job then was to build the Egyptian-American relationship which was one of the single, most important planks in the structure of the Gulf War. The Egyptians ended up providing us with over-flight and airport rights, flow-through capacity in the canal and right down to Egyptian divisions serving on the front-line together with American forces. It was a triumph, the high point in Egyptian-American cooperation, brought about by Mubarak's sense of strategic vision and purpose. A terrific experience, just terrific. I loved those years in Cairo. My family did as well. My heart will always be there. I had able officers and staff at my side—Jock Covey, Wes Egan as DCM, as well as Mark Johnson. No one can match Ryan Crocker and Stan Escudero in political work, nor Kenton Keith and Marcelle Wahba in press and cultural affairs. The military under General Fitzgerald and the USAID missions were ably staffed. Rozella Berger was a grand secretary and executive assistant.

Q: Now, in those years, you had the leverage of the Camp David aid levels, an aid program of two billion dollars a year.

WISNER: Two plus billion dollars.

Q: Combined economic and military aid that was beginning to have an impact on the country. Your mission was expanding and bursting at the seams to become the largest U.S. embassy in the world. How did you keep track of that vast process and what are your conclusions about the aid and Egypt's ability to absorb it?

WISNER: I have very little doubt we were able to keep track of and absorb the military aid. So much of it goes to hardware of American origin. It went into specific programs within a strategic definition. Now whether we made all the right choices is another question. Egypt needed to overhaul her armor but whether the right way was to build a M1-A1 [Abrams] tank factory you'd have to say the other choice, of course, was to buy M1-A1 tanks. What were the savings going to be if you just bought a bunch of tanks? We didn't, at that point, know the Cold War was going to end and we'd have access to phenomenal numbers of M-60 tanks. But you needed to end the Soviet military equipment phase of the Egyptian Army if you were going to have them anchored in with us as a strategic partner. The decision to build the M1-A1 preceded me. It happened during Nick Veliotis' time. I never was particularly excited about the project because I could see one round of tanks, and I couldn't see what was going to happen next, and my question is still being asked. But the fundamental decision was not wrong, to replace the tank force with an American tank force in this part of the world in which the tank battle arguably is still the most important land battle to be fought. On the air force side, I think we made exactly the right choices. The Egyptian air force needed new equipment. Whether you should have been spending more, on the margin, on communications, command and control training, things like that, perhaps, but I think basically, with relatively minor exceptions, we made the right choices.

On the economic side, I had graver doubts about American economic assistance. I think it disguised the need for more forceful economic policy measures on the part of the Egyptian government. I think it slowed the decisions to take the state out of the Egyptian economy. I think it did some things that had to be done: water and sewers, irrigation drainage, canals and micro credit, but things that, unfortunately, were never going to leave much of a mark on the minds of Egyptians. Who sees a sewer, who cares? Until you don't have any. These were not new universities and housing projects, not that I think the American government ought to have been building all of these. We were pushed into spending these colossal sums of money, and the leverage that it gave us to influence Egyptian economic policy was in no way commensurate to the volume of resources that were flowing. It took very, very tough collaboration to get the Egyptians to listen to me, because they had, virtually every year, an assured pot of lolly coming along.

The food aid side was highly arguable. It sustained subsidies and led to misuse of food. It meant Egypt didn't put the right volume of resources into foreign exchange earning capabilities and didn't exploit its domestic market to get its costs down to be more competitive internationally. You could always keep cheap bread on the table, bread so cheap that it was cheaper to feed cows and goats with American wheat than it was to, you know, produce a proper animal food stock industry. We did a lot of good, no doubt, but at the same time, it really had two edges, this sword.

Q: It was then and still is a race of economic liberalization and export orientation and privatization of the economy versus population growth and creation of sufficient jobs to keep pace. How do you view that? Prospects for that race, long term, for Egypt?

WISNER: Well, I think that, finally, the corner has been turned in terms of the private sector having a stronger say in the economy. I wish Mubarak had felt bolder after the Gulf War, both in democratic liberalization and allowing a broadening of the political base and in economic

liberalization. He has been very, very cautious, very careful. It's going to be harder, though, to assure an orderly institutional process of power shifting after the Mubarak period because of the long time it has taken to get this far. On the economic side, things are turning in the proper direction. Egypt can support her present population. I have never had any doubt about that. She needed, however, to get prosperity up and then, at the same time, take a very hard crack at population control, but let prosperity also provide a dividend for smaller families; give an incentive for smaller families. I haven't been close enough to the Egyptian economy in the last years. I've seen liberalization but I have a sense that Egyptian society is moving toward smaller population rates of growth and that the Egyptians do have a ways to go. An export economy, true -- they needed to lower their tariffs, open themselves up, force themselves to be competitive -- but equally I believe Egypt is a large enough country that they needed to focus on income, building up effective Egyptian demand for goods, to get their prices down so they would attract exporters because they'd have a strong domestic base.

Q: Post Camp David, could you see in your time changes in ingrained attitudes towards Israel? Doing business with Israel?

WISNER: The Egyptians are going to be ambivalent about Israel. They wanted peace; they did not want to go back to war, but they also didn't want a very close relationship with Israel; close in the sense that the Israelis wanted to be close; a warm, embracing relationship. And certainly not a relationship that was going to have common political goals being pursued. Egypt still wanted to be the first among Arab equals, and to use the weight of the Arab world to keep the balance with Israel.

Q: Did you feel with the aid dollars that people were also being forced on you. Were the accretions in your staff desirable, useful? How did you manage?

WISNER: Well, I managed not only to put a cap on, those numbers, but to progressively reduce them. I remember the first time I was hit with about 25, 30 demands for new officials on the American embassy staff, and I think I ended up the first round with a very artful system that Jock Covey helped me with and a painful review of all the mission operations. We reduced positions and did a second round my second year and a third one the third year. We were able to bring the numbers down a bit. But I'm not sure that numbers were quite the goal in itself, but I was trying to change the way we used our leverage and thought about things and where we wanted to use our influence. I would have rather had us more into the venture capital market and development banks, being able to take equity and debt positions in privatized Egyptian enterprises, funding the mortgage market, doing more things like that. That was my dream, instead of the big infrastructure and the large American contractors. But you had to admit, unless we'd done it, Cairo would be choking in her own sewage.

Q: And Imbaba.

WISNER: Yes, I mean it was awful. And sewers were built in the 1910s for a city of a million.

Q: ... and today a city of 12 to 15 million. Cairo was a crossroads. You had every manner of high level visitor, including the President.

WISNER: Yes, indeed, and the Secretary

Q: ... very many times.

WISNER: Secretary of State, Secretary of Defense.

Q: Any highlights of those visits?

WISNER: Oh, many. Many, many. George Bush came on Thanksgiving Day, right in the Gulf War. The American community came out that day. I'll never forget it. I was very proud of our community. This was the American community that stuck it out during the Gulf War. It did not run. Throughout the Arab world, American communities packed up and left. But not the one in Cairo. Maybe not in Morocco, but I mean.

Q: In Morocco, we were ordered to. We had a mandatory evacuation. Curious.

WISNER: The embassy?

Q: "Non-essential" personnel and Embassy dependents.

WISNER: What about the American citizen community?

Q: Some left, most didn't.

WISNER: We stuck. We stuck. Both embassy and other people left on their own, or their companies pulled them out because they were frightened of liabilities. But we stuck. Did it in interesting ways, not only holding Washington steady, but having regular town meetings with the American community, keeping the school open. The German school closed, but we kept the American school open, so that the families had a reason to stay.

Q: You were having a dialogue on that with Ivan Selin?

WISNER: Mainly with John Kelly.

Q: You were the American Ambassador on the eve of the Gulf War, the first time the U.S. had been engaged in warfare in the Arab world in recent history, anyway.

WISNER: Since Samuel Eaton and the Dey of Tripoli.

Q: What did you think, sitting in Cairo, was going to happen? Were you concerned? Were you confident? This was an unknown. What were your feelings?

WISNER: I had been in Egypt for a while. I had a sense of confidence in the Egyptian Government's ability to maintain control in the streets. I had confidence in the direction of our diplomacy and in the Egyptian association with us. I was very confident. Maybe foolishly so, but

I never thought so, and it worked out — I was right. No, I'm comfortable. We read the Egyptians right. They read us right. We and they were on the same wave length. Just as we're not today, which bothers me very deeply.

Q: As it turned out, their position was the correct one and was also the best one for Egypt...debt forgiveness, follow-on benefits.

WISNER: We've rewarded them handsomely with the debt forgiveness. A flood of foreign assistance came to them at this period. In a way, I hoped that the war would force them and free them to do something about the liberalization of the economy, and Mubarak promised me before I left that he would. He was very cautious; he has always been cautious, probably wisely so.

Q: Before we leave Egypt are there any other issues there you'd like to touch on? You want to say something about American University of Cairo, or transit of nuclear ships through the Suez Canal, or any other issues?

WISNER: We found ways of dealing with all of those problems. Egyptian ways. Our ships would come. We would write endless diplomatic notes and their stays would be approved, but we were never going to get blanket approval, never going to have something that would make the US Navy happy. We would transit the Suez Canal, and we wouldn't pay the extra surcharges involved, and our bills would run up, and the Egyptians wouldn't collect them, and our bills would run up, and the Egyptians, wouldn't collect, and we'll never pay them and they'll never collect them. It took me a while to figure out the best Egyptian "No" is don't say anything at all. "Yes" was also ambiguous. All answers in Egypt are ambiguous.

American University was a fine institution of American higher learning and probably unspoiled today. I think it does an important job in Egypt. I think we've been right to support it, build up its endowment. It will be a beacon for years to come. I was very touched when the American business community, Egyptian and American business community, at the end of my stay there raised 50 thousand dollars and created a special prize for modern Egyptian history in my name, which I always consider one of the nicest things ever done for me in my career.

Q: You had a consulate in Alexandria, now closed. Was that a valuable resource?

WISNER: That was a valuable resource, and it was a terrible decision to close it. I disagreed completely with the Under Secretary of State for Management. I disagreed with Mr. Eagleburger who sustained the decision. And I think Mr. Djerejian was wrong to put it forward. And all of them know my views. Second largest city in the continent of Africa. On the Mediterranean. We never should have closed that consulate. We didn't need to. We shouldn't have.

Q: You were getting a different window on Egypt.

WISNER: The fact that we created a false trade-off between Casablanca and Alexandria was only to mean that one of these two important consulates would end up being closed and that was the false choice.

TERESITA C. SCHAFFER
Office Director of Egyptian Affairs
Washington, DC (1987-1989)

Ambassador Schaffer was born in New York and later educated in France. She received her undergraduate degree from Bryn Mawr College and joined the Foreign Service. Her Foreign Service career took her to Israel, Pakistan, India, Bangladesh, Sri Lanka, and the Maldives. Ambassador Schaffer was interviewed by Thomas Stern in September 1998.

Q: Then in 1987, you were assigned to Washington as Country Director for Egyptian Affairs. As you mentioned, on the way back from Bangladesh, you stopped in Egypt. How long were you there?

SCHAFFER: I was in Egypt for a week. I got a complete briefing. The Embassy at the time was headed by Frank G. Wisner, whose deputy was Jock Covey. Wisner had then, and still has, the energy of ten men. Covey may be the most organized Foreign Service officer I have ever met. So I got complete briefings on what and how we were doing in Egypt. I learned not only about Embassy operations, but also the AID programs, including the debt rescheduling problem, the IMF program -- a constant headache. I was fully briefed on internal politics and the Egypt-Israel relationship. I met some ministers in the government, but I met a lot more when I returned to Cairo a year later. I first met President Mubarak when he came to the U.S.

My immediate boss was Phil Wilcox who was succeeded by Ned Walker. My first Assistant Secretary was Dick Murphy, who at the end of the Reagan administration was succeeded by John Kelly, after a long inter-regnum. By the time Kelly took over, I was almost finished with my tour as Egyptian Country Director.

On the desk, I found that my days were quite different depending on whether Frank Wisner was in town. When he wasn't, I would usually start the day by reading the cable traffic. Then began meetings with one or more of the four officers who worked for me -- in addition to the three secretaries. Much of the rest of the day was taken up by meetings and the drafting of memoranda or other papers. There was a large network of Egypt-watchers in the Department and around Washington, who were involved in U.S.-Egypt relations. To the best of my recollection, the issue that was most active was the IMF program. The Congress, particularly the House Foreign Affairs Committee, had taken a very strong interest in that issue. It did not want the U.S. government to release another portion of the cash aid program until Egypt and the IMF had reached agreement on economic policies to be followed by that country. The IMF negotiations with the Egyptian government were difficult, as might well have been expected.

When Ambassador Wisner was in town, it was a different story. I had a standing joke with my secretary was that I would go to the ladies' room at 8:15 a.m. on Monday and that would be the last visit I would make there for the rest of the week. Wisner was a one man whirlwind. I tended to accompany him on a lot of his meetings because it gave me an opportunity to meet some

people that I would not have met otherwise. It was also a way of cementing relationships that were useful both to him and me when he was not in town. The only thing that diminished while Wisner was in town was the cable traffic.

The phone calls between Cairo and Washington were also reduced when Frank was in town. When he was in Cairo, he would call almost every day. If he didn't then I would hear from Jock. Every day we also exchanged views and information through a daily official-informal cable. The relationship between the desk and the Embassy was very intense. The Embassy looked on me as its agent in Washington. There were really no policy disagreements, so I was comfortable with playing the agent role. But it was always interesting to step back every once in a while and watch Wisner maneuver.

We tried to maintain contact with all the players around Washington; that required lots of meetings which took up much of the day. I had a very good relationship with AID. I became close friends with Dick Brown, who was then the AID Country Director for Egypt -- and later the Mission Director in Colombo when I was there. He is now the Mission Director in Cairo. We worked together quite closely. The AID Mission in Cairo had more autonomy than any other in the world. It was in the driver's seat when it came to the development and implementation of our assistance program to Egypt. For example, it could initiate on its own authority any program or project which did not exceed \$25 million. It was a very unusual situation which made the Washington role quite different from that which existed for any other program. So we had a very unusual relationship with our AID colleagues.

I must say that after my tour on the Egyptian desk, I was left with the question whether a program of that size could really be effective. It was a politically driven program in the sense that the levels of assistance to Egypt and Israel had been determined as part of the Camp David agreement and not on any economic analysis. Israel received its aid in cash within the first thirty days after the beginning of a fiscal year. To the best of my recollection, Egypt got \$115 million in cash and another \$200 million for a commodity import program -- almost like cash. The balance -- \$500 million -- was devoted to projects. This assistance was in recognition that for a country like Egypt, project assistance made sense. It was also a way to insure that the funds were expended in meaningful ways -- hopefully. I have no problem with that view, but when the total level is determined by political considerations, certain distortions are bound to occur.

I am told that since 1989, very substantial changes have occurred in the Egyptian economy, so that my comments may no longer be applicable today. In addition to the distortions I mentioned earlier, a large aid program also means that the U.S. is a major participant in a foreign economy. As I said, our total program was \$815 million plus some food aid. This was administered by an AID mission of 112 American direct hire plus some contract employees. That seemed to be a rather small staff for the large amount of money. On the other hand, that is a lot of American representatives. The US Mission in Cairo since Camp David has been very large. That creates a set of challenges, which are hard to meet because it is very hard to argue for a much smaller mission in light of the size of the assistance program. AID had, by law and regulation, a rather strict set of accountability rules which require a rather intrusive process so that the funds and related activities can be accounted for in some detail.

On military assistance, I worked closely with PM and the Pentagon. Military assistance is quite different from economic assistance because it consists primarily of equipment purchases. We had a large US Military Assistance Mission in Cairo, which processed the purchase transactions and also developed programs for the training of Egyptian military both locally and in the U.S. A military assistance program in general is usually a Washington-centered program because the level of assistance and the use of the funds are determined by State and the Pentagon. I should note that by the time the Pentagon submits its purchase program for approval, State is usually faced with a “yes” or “no” question on specific end items to be procured. While the procurement program was being developed, we might have been able to orient the program in one direction or another -- e.g. armor vs. aircraft -- but our input was limited and perhaps even marginal. The US and Egypt used to have very extensive politico-military consultations -- and perhaps still do -- annually. A huge Egyptian military delegation used come to Washington to discuss their procurement priorities and it was really through this dialogue that the use of military assistance funds were very largely determined.

I did not have any objections to the Egyptian procurements; they did not seem to present any major political problems. The basic question that policy makers had and have to address is how long the Camp David agreement obliges the U.S. to bankroll very large scale military purchases by both Egypt and Israel. I certainly was not prepared to recommend a unilateral reduction of assistance to Egypt if there were not a comparable reduction in the Israeli program. That same comment could also be made for economic assistance. I think if by some alchemy the U.S. had been able to cut the Israeli program as well as the Egyptian one, the Pentagon would have been delighted -- for no other reason than it would have liked to increase some of its other military assistance programs. Israel and Egypt were using a very large percentage of the U.S. assistance programs -- both economic and military -- which many felt could have been used better in some other aid programs. But since the level of the Egyptian and Israeli programs were legislatively determined -- and no administration likes “earmarks” -- there was too little left for other programs.

The question of increasing Egyptian domestic capacity to produce some of the procured military end use items was not a hot issue at the time because there was a question of whether Egyptian manufacturing capability was adequate to make military hardware much of which was quite sophisticated. My recollection was that there was some discussion and perhaps even some action to allow Egyptians to make M-1 tanks but I don't remember any discussions beyond that.

At the time, our policy was to give strong support to the Mubarak regime in part by providing levels of assistance consistent with the Camp David understandings -- although I repeat that if the Israel program had been less, then perhaps the Egypt one would also have been reduced. That would not have been a problem for any of us. Our policy also called for a vigorous economic reform program to be undertaken by the Egyptians, some of which was particularly distasteful to Mubarak. As part of that objective we urged the Egyptians to work out a standby agreement with the IMF which would have given a multilateral cover to the reforms and which incidentally would have eased our problems with providing cash assistance.

Mubarak at the time was the only Arab leader who had made peace with Israel. He was our showcase for the Middle East peace process. In quiet ways, we encouraged Mubarak to give

more substance to the Egypt-Israel relations. The US was heavily involved in using its good offices in an effort to settle the one remaining border issue: the Taba resort which was right next to Elat. That issue was resolved during my tour on the desk.

We involved Egypt to a major degree in our efforts to restart the Israel-Palestinian-Jordan negotiations. Mubarak was eager to be involved in this because he was painfully aware that the part of the Camp David accords that had never been really reached was the goal of some kind of autonomy for the West Bank. Interestingly enough, there was very little controversy in Washington over this policy.

We talked about democratic development in Egypt. We didn't push it very hard; we didn't want to upset Mubarak.

The leadership of the Department was involved in Egyptian affairs from time to time. If a high level Egyptian official was due to visit Washington, he would see some of the principals and that would get them at least familiar with the issues. There was a lot of high level interest on how things were going in Egypt. Both Secretaries Shultz and Baker showed an interest in Egypt's economic prospects -- development and debt carrying capacity. Shultz of course was an economist and Baker has moved to State from Treasury. In fact, soon after Baker had become Secretary of State, Mubarak paid a state visit to the U.S.; that brought Baker into the midst of all of the discussions on Egyptian issues, particularly the financial ones which were never very far from Mubarak's mind.

The only issues which tended to cause some friction among agencies were bureaucratic ones; for example, we had chronic fights with OMB on the appropriate time for release of various parts of the assistance program. In the Egypt case, both State and OMB became much more involved in this timing issue than was normal for assistance programs in general.

The issue of Egypt's relations with the IMF was a complicated one. Egypt has had a major fiscal problem for many years. It had an elaborate network of subsidies touching many aspects of Egyptian life. The subsidies started in the modern era with Nasser. The subsidized prices had not changed since those days -- approximately fifteen years earlier. The world prices had, making the subsidies much more expensive to the Egyptian government. This led to huge budget deficits, even after the government applied some sort of magic to its fiscal books to make the subsidies seem smaller than they really were. They also had a chronic problem in servicing their external debt -- overvalued exchange rate, sluggish exports. These are the kinds of economic challenges that IMF has met in other places and even by then it had formed a standard set of remedies -- limiting domestic credit, limiting foreign borrowing, limiting budget deficits by increasing income and reducing outlays, particularly subsidies and other non-productive expenditures. The economic policy was a good one; unfortunately, as happens often, it ran right into the political goals of the regime. One couldn't tell Mubarak to ignore potential public reaction to subsidy reductions; he had tried to raise the price of bread a couple of years earlier resulting in riots in the streets. The only other subject which was bound to raise similar popular ire was conscription. So clearly IMF had a problem particularly in a country like Egypt which has a long history of providing entitlements to the population which came to be seen as the norm and untouchable. Generations of economic advisors have urged the Egyptians to charge a reasonable rate for water

usage, but since the Pharaohs and the floods, Egyptians have regarded subsidized water as their God-given right -- not only for drinking, but also for flooding of their lands -- even if now the flood comes at the end of a water hose and is not nature made.

So removal, or even reduction, of subsidies is politically difficult in any country and particularly one that since the early 1950s at least had accustomed its public to the idea that government will take care of its needs. Egypt had for example a system, which may still exist today, that guaranteed every university graduate an eventual government job. Before the job came through, the graduate might have to do something useful like being a plumber or an electrician. Once hired by the government, however, the graduate was ensconced for life. That was the environment in which Mubarak was working. In fact, I think he actually believed in the validity of that environment, with the government as its people's care-taker. That made it even more difficult for him to accept the advice of the IMF as well as other professional economists. He was also enough of a politician to understand that his people would rise up if their expected subsidies were reduced. As it stood, he could expect his people's appreciation for the existing subsidies which he was trying to protect.

In the Department, we felt that an IMF-like program was necessary if Egypt's economy were ever to get on a sound footing. We hoped that IMF would argue its case with enough sophistication to convince Mubarak to agree to a program with enough cushion in it so that it might be politically acceptable. That was more than could be achieved.

Mubarak came on two visits while I was on the desk -- 1988 and 1989. Both visits took place in April. The first one took place in the waning days of the Reagan presidency while Shultz was still Secretary of State. The second one took place on the opening day of the baseball season in 1989. George H.W. Bush was our new President and Mubarak accompanied Bush to Baltimore to watch the American President throw out the first ball. In both cases, Mubarak's main goal was to maintain a close relationship with American presidents. Mubarak was a master at these visits; they were invariably a success. He is very personable; he speaks in a straight forward fashion, which Americans like; he had been in power for a long time and therefore knew the Washington scene very well indeed. His regular visits were intended to bolster his status in Washington, both in the Executive and Legislative branches. When he visited, Mubarak had an agenda beyond maintaining his contacts. The agenda always included the Arab-Israeli peace process; he was very concerned that the U.S. might lose interest in that process, leaving him completely unprotected in the Arab world. He also wanted to insure that US economic aid would continue to flow at the same levels since Camp David and at the same time trying to convince us that the IMF was being far too rigorous and unreasonable. Eventually, that agenda included a plea for U.S. debt rescheduling.

The desk was the substantive and to a great extent the procedural impresario for these visits. We had to pull together the briefing papers for the American principals, primarily the Secretary. We also submitted the first drafts of the scenario and comments for the Presidential meetings, including suggestions on what other Cabinet officers might say. Working together with the Egyptian Embassy in Washington and our Embassy in Cairo, we developed a proposed schedule. Invariably, a whole raft of well wishers surfaced at the other end of my phone line when the visit was announced; they were mostly people or organizations who wanted to host one event or

another for Mubarak in various parts of the country. There were some people who would suggest some “dynamite” ideas for things that Mubarak might do. Most of the suggestions we fended off; some were given serious considerations. There were a lot of Americans interested in Egypt.

Our papers changed as we went from one American President to another and one Secretary to another. The changes were not major partly because we knew that the final briefing papers for the President would be rewritten by the NSC or another White House staff -- ours were undoubtedly too long for Ronald Reagan and probably barely long enough for George H.W. Bush -- he was a reader. Interestingly enough, the Reagan White House asked the Department for a draft of the welcoming remarks that he was expected to make when he first met Mubarak on the White House lawn. We did provide such a draft and much to our surprise, most of it was actually used. The Bush White House encouraged us to submit our proposals of themes and thoughts, which was a request that I always found much more difficult to handle than that for draft remarks; so we wound up submitting a draft speech anyway.

State visits or even less formal visits by foreign heads of state are an interesting feature of U.S. foreign policy. The major part of the workload comes before the visit as the schedule is being prepared and finalized. Once the visitor arrives and you have to be involved in his or her daily activities -- as I was in the case of Mubarak -- you are pulled along by this moving circus. I remember asking Roy Atherton, a former US ambassador to Egypt, on the night before Mubarak’s first arrival whether he had any advice for me. He thought for a minute and then said: “When the motorcade begins to move, jump into a vehicle.”

I might just mention an episode that took place during the second visit. Initially, that visit had been characterized as an “official working” one. About three weeks before Mubarak’s arrival, I got a call from someone in the NSC staff -- I think it was Bob Oakley -- who told me that that the President had just invited Mubarak to a State dinner. Mubarak had accepted. I noted that this would change the nature of the visit from a “working” one to a “State” one. He said that in any case, that was what had happened. The next day, we met with Protocol and others to talk about the program. The Protocol representative who was chairing the meeting wanted to know how we would characterize the visit. I piped up and told the group what I had been told by Oakley. The chairlady said: “I don’t think that can be right. Susan Porter Rose (a senior White House official) wouldn’t approve of that at all.” I repeated that the President had extended the invitation which had been accepted. That didn’t seem to satisfy the Protocol representative who insisted that the visit was an “official working” visit. I suggested that perhaps events had overtaken that designation. After great discussion, it was decided that the visit would be characterized as a “modified official working” visit.

One day before the visit was to begin, I had a call from the Egyptian Ambassador who told me that President Bush had invited Mubarak to join him in Baltimore for the opening day of the baseball season and a picnic supper. He told me that Mubarak wanted to accept but would like a little more information on what was likely to happen. So I briefed the Ambassador on what an “opening day” tradition was all about and that Bush had been on the Yale baseball team and therefore had a special attachment to the game. The Ambassador was concerned about two issues: what was the proper attire for a baseball game and what would be eaten. On the first point, Mubarak was much more comfortable in jacket and tie than in a sport shirt because he like

to look presidential. Eventually, we were able to assure the Ambassador that jacket and tie were perfectly acceptable. On the second issue, it was quite clear to me that the unspoken concern was whether hot dogs would be served. The Ambassador wanted to make sure that his President would not be eating anything that might even remotely be considered as containing pork. After checking around, I was able to tell the Ambassador that the picnic menu would include chicken and kosher hot dogs. The chicken would look like chicken and it could not even remotely be confused with any pork product.

I was informed that I couldn't go to the game because the U.S. delegation was restricted to deputy assistant secretary level officials. I talked to my boss, who was not a baseball fan, and convinced him to designate Bill Kirby as the NEA representative; he worked on the peace process and was a fanatical baseball fan. My reward from Bill was a Presidential autograph on a newspaper picture of the young George H.W. Bush in his first baseman's uniform from the Yale baseball team.

Just as one issue was resolved, others would pop up. A few days before Mubarak's arrival, I had a call from the Egyptian Embassy about how one would explain baseball to Mubarak, who knew little if anything about the game. I told them not to worry about it; that we would take care of this problem. I knew the game, primarily because my children were devotees. At the time, both happened to be on Spring break from school. I also had in my office a politico-military officer by the name of Jerry Feier, who was also a big baseball fan. I asked Jerry to write a briefing paper on baseball; I told him that if he needed any research done, he should call my sons who had several books on the game which would answer whatever questions that he might have. So Jerry with a little research help, produced a splendid two page paper on the history and rules of baseball. We sent it to the Egyptian Ambassador who was profoundly grateful; he learned something himself.

When Frank Wisner showed up just before Mubarak's arrival, one of his first questions was how we would deal with Mubarak's unfamiliarity with baseball. I told him that the matter had already been resolved through our briefing paper. He thought I was joking, so I had to give him a copy.

I think this description pretty much categorizes what a desk does in preparation for a visit by a foreign dignitary. The answer is "Anything that is required."

On both visits, I accompanied Mubarak to most of his meetings. It simply fulfilled "Schaffer's first law" ("visits are a success"). They gave a personal touch to US-Egyptian relations. They were action-forcing events at a time when it was important that the leadership of both countries focus on the regional situation. There may not have been major decisions coming out of the visits, but certainly there were useful exchanges and improved understandings. On the second visit, we were able to convince Mubarak to go outside the Eastern seaboard; he went to Dallas for a day. That was salutary; he had a big lunch meetings with leading Texans, mostly from the business community. He took questions from the floor; he got a flavor of the views of a different crowd from that which he usually met in Washington or New York. Later that afternoon he met with the Dallas Business round-table -- twelve or fourteen business leaders. The question of investing in Egypt of course came up. He answered some of the questions; others he turned over to the cabinet officers who were with him. To me the most important aspect of the meeting was

that Mubarak had an opportunity to hear the concerns of American business leaders. In the Egyptian situation, Mubarak was not likely to be exposed to these views, particularly in light of his attitude toward economics and private business. In the Mubarak government, we always had to be concerned about what information was provided the President and through what filter.

In principle, Mubarak welcomed American investment, but to make it inviting, major changes would have to be made in Egyptian economic policy and probably also in Cabinet officers. Those changes did not come very rapidly.

After I left the desk, the Egyptians sought a debt rescheduling agreement. That did become controversial in Washington. Eventually, this issue became part of a broader Gulf War perspective and was solved as part of an overall US effort.

I thought that the Egyptians essentially were mismanaging their economy. It was a heavily state oriented economy. It had moved relatively little toward market principles. Mubarak looked on economics as a necessary evil -- mostly evil. It was not a subject with which he was comfortable. He had been an Air Force officer who became President when Sadat was assassinated. I think he was more comfortable with a Pharaonic view of economics, that is a Presidentially directed program. He had a great deal of respect for the politics of economic decisions. In light of that, he would do almost anything to prevent an increase in the price of bread, which was essentially a penny a loaf. Obviously, that required a major governmental subsidy, which the Egyptians could ill afford.

Egypt, in some sense, has always lived a charmed life. We were pouring in \$815 million in aid every year. Egypt had some real assets -- fertile land in the Nile Valley, a plethora of antiquities that make it a major tourist attraction -- assuming that security can be provided. It was hard to see it collapse economically. On the other hand, I could not foresee them making substantial economic progress because I didn't see the government inclined to make those policy changes that were absolutely necessary. I may have been wrong on that perception because I think some quite substantial changes have been made, even though many of the ministers we had to deal with are still in power.

Let me just briefly return to the peace process. NEA had a separate peace process group headed as I said by Bill Kirby, who was a deputy assistant secretary without much of his own staff. He had a loose team which included Dan Kurtzer, currently our Ambassador to Egypt (1999), but then part of S/P. He had been the Deputy Director of the Egyptian Directorate. Aaron Miller, also of S/P, and Peter Eicher, my deputy, worked with Kirby. Those people tended to work separately from other parts of the Bureau. It was a bizarre management device, but which had one beneficial aspect -- perhaps unintended. It did provide some level of coordination because at least with Peter on the team, I could stay up to date on what was going on. He was in a position to warn me if I was going to push some policy or action if it appeared it would run contrary to our efforts on the peace process. Of course, the peace process had the attention of the highest level of the Department; the day-to-day supervision was left to Assistant Secretary Richard Murphy. The Under secretary for Political affairs at the time was Mike Armacost, but I don't recall him being involved on a continuing basis.

We had a very close working relationship with the Israel Country Directorate. We had offices right next to each other and we consulted often. The dynamics of the relationships of the country directorates to its countries are entirely different. The Israelis are much more involved in working the Washington bureaucracy in great detail. The Egyptians are also active in this process, but not to the same extent as the Israelis.

I might just close this chapter of my career by talking about “lessons learned.” There were a number of procedural ones, but the most interesting ones fell into the policy area. It is difficult to manage a lop-sided relationship which includes high levels of dependency. I learned first hand what difficulties a President-to-President direct contact creates for the working levels. It is always difficult to find out what happened in those conversations. Once you have that information, you must be careful in development of policy and its implementation not to undermine what you understood to be the President’s wishes. With the advent of rapid and secure communications, there will be continuing direct contacts; I don’t think the Department or any organization has yet figured out to deal with this new phenomenon adequately. In the Bush administration, which I observed on the desk for about six months, the NSC staff either monitored the telephone calls or would be briefed on it. We depended on them to pass the information along and I think they did so scrupulously. Bush was sufficiently organized that I don’t think there were many, if any, calls which were not known to the NSC staff. After we were briefed by the NSC staff, we would then inform the Ambassador.

There are many potential slips in such a process. The real danger is that when the two heads-of-state agree on something, it is not passed down the chain. Such slips can be very costly indeed. It is particularly dangerous in the case of countries that espouse the “conspiracy” theory because if there is a slip, then all sorts of charges arise for what may have been an unintentional error.

I don’t think the process is a major problem. I would have had a problem with the peace process being separated from the daily work of the desks, had it not been for the fact that, by and large, my colleagues working on the peace process made extraordinary efforts to keep us informed so that we would not be working at cross-purposes. It is true that every once in a while there were activities in the peace process which either the Secretary or the Assistant Secretary decided should be kept quite privileged. These were primarily initiatives that they had in mind which they did not want to expose to a wider audience until they had launched them. Once or twice that caused some embarrassment. I am referring here to Secretary Shultz because when Jim Baker became Secretary, he started out by stating he would not become involved in the peace process until it could be proven that his involvement would most likely be productive -- unlike Shultz’ last few efforts. We would divine these Shultz’ initiatives through hunches and tidbits of data which we then would take to Murphy to ask that we be given the full story.

I have watched this process -- trying to keep knowledge of certain actions restricted to very few - in many foreign affairs spheres. I have come to the conclusion that Foreign Service officers are addicted to “being in the know.” This can be a plus because it usually means that officers are fairly energetic in finding out things. If an officer is working closely with a colleague and is told something in confidence, the chances are good that those confidences will be kept. But if then an officer finds out that there was additional information which had not been passed on -- either intentionally or unintentionally -- he or she shows absolutely no conscience in using this new

information to get more. This is not only because he or she may be peeved, but because culturally Foreign Service officers are incalculated with a drive to collect as much information as possible. I came to the conclusion that, except in the most extraordinary circumstances, if you are working with sensitive information and with Foreign Service colleagues, a supervisor is better off calling them together and leveling with them while at the same time cautioning them about the risks involved if the information goes beyond that immediate group. To keep the information from your staff runs the risk of the information reaching them without restrictions; on the other hand, sharing it makes your staff part of an “in group” with all the benefits and discipline that that implies.

MARSHALL D. BROWN
Director, USAID
Cairo (1987-1991)

Marshall D. Brown was born and raised in California. He received his undergraduate and master's degrees in political science from Stanford University. Mr. Brown's service with USAID took him to Peru, Brazil, and Honduras. He was interviewed December 4, 1996 by W. Haven North.

Q: All right. Let's move on to Egypt..

BROWN: In 1987 I went back overseas as director of USAID Egypt, the agency's largest program.

Q: How big was the program?

BROWN: \$815 million per year of ESF was mandated by Congress, as part of the Middle East peace process. We also had almost \$200 million in food aid. The bulk of the ESF was supposed to go for projects, built by US contractors; a smaller amount was for a commodity import program, to provide Egypt with essential imports from US suppliers; and a much smaller amount for a cash transfer, to give the Egyptians a little cold cash and AID a small level to try to move the government in the reform direction. The Egyptians greatly resented this arrangement: the flow of funds was slow, and highly controlled as to how the funds could be used; and they saw accruing to US firms. In contrast, the US gave Israel an annual cash transfer of one billion dollars. Given Egypt's underdevelopment and socialist proclivities toward wasteful spending, the asymmetry in how the two countries were treated made eminent sense-at least to everyone but the Egyptians. The requirement to spend the annual \$815 million in ESF or else imposed a unique kind of burden. Most country missions were desperately in need of a few million dollars more in their programs, and I inherited one that had a budget of almost a billion dollars, and I had to spend it all. That made it very difficult to do serious policy reform. Moreover, the Egyptians knew very well they had gained an entitlement, as a result of the Camp David Peace Accord. They were very well informed about our political system, and had an effective lobbyist working the US Congress. For ambassador, I had one of State's most talented and skilled diplomats, Frank Wisner. One of his basic directives was to insure Egypt continued to play a

constructive role in the peace process, and that meant not antagonizing them-unless absolutely necessary. Frank was very supportive of the AID effort and knew that Egypt needed to reduce state control, introduce market pricing and mechanisms, and reduce the role of the state in the economy.

He was fully supportive of me as long as I didn't push policy reform to the point of antagonizing the government. Thus I had to devise a sector reform program in the energy sector that offered a bonanza of financial assistance to the energy minister if he would move the highly subsidized price of energy along a path toward market rates. I made him an offer that he could hardly refuse. There was still the risk that if they didn't raise rates and we didn't disburse, President Mubarak would become incensed, pick up the phone and call Secretary Baker, or try to call President Bush, to complain about this AID guy that doesn't understand the nature of their entitlement and the importance of their continued support of Middle East peace. In effect, there was a line in the Egyptian sand that I didn't want to cross.

Q: Did you go out there with some particular mandate that they wanted you to address?

BROWN: Well, like the physicians, my first commandment was to do no harm. That is, do not screw up this enormous program. Because it was so big, and so fraught with potential for mistakes, I had to be sure the program was well managed. We had about seventy projects, broadly defined. One of them, the Cairo Wastewater Project, had an \$800 million AID contribution. We had many projects in the \$100 to \$300 million dollar range. Our undisbursed pipeline was around two billion dollars. All things considered, I believe we did as well as you could hope to in avoiding major mistakes or vulnerabilities. It did not help that we had an Inspector General's office full of auditors working in our building, reading our daily file and looking for any string they could pull to unravel something.

My second mandate was to find ways to increase the amount of policy reform we could get out of the program. As I said, this was hard because we still had to disperse the funds every year. Half the annual program was financing import needs and half went for projects, and the bulk of project funds went for infrastructure-water supply, sewerage, power generation and school construction. And those projects went very well in terms of doing what they were supposed to do. The water supply and sewerage program was both in Cairo and throughout the country.

We also had a major primary school construction program. There was a great deficit in primary school facilities, and we had reached the point where we were completing a school a day-360 schools a year. Everyone, even President Mubarak, who was skeptical of AID, thought this was a great program. He attended several inaugurations-and took full credit, of course. Ambassador Wisner thought it was great, though he wanted to diddle with the architecture to include the Moorish arch, which we finally incorporated. There was a visiting NBC News who interviewed me as we walked through one of the school. It was a very favorable story which was broadcast on the morning "Today" show. The schools were built by local contractors, and were very inexpensive to build.

Q: Did they have the teachers and the resources to maintain and operate these schools?

BROWN: They had plenty of teachers. The Egyptians have a surplus of people, and a surplus of government employees so that was not a problem. The question of resources to maintain goes to the heart of one of Egypt's most vexing problems-maintenance, or lack thereof. Because of that, in addition to providing educational materials and training teachers, we also trained inspectors in the proper operation and maintenance of the schools.

Just as I was completing my tour in Egypt our IG friends were engaged in an audit of the basic education program. Despite the success of the program, the increasing number of children in school every year, the simple, low cost two story structures and the popularity of the program with the government, the auditors managed to find some fatal flaws. They found a few minor cracks in the construction of some schools, some cracks in some sidewalks and a couple of bathrooms which didn't have running water. They took color pictures and put them in their audit report and faulted AID for mismanaging the program. Inspector General Beckington then had a negative press release prepared in Washington for the media. They manage to convert a few minor, easily correctable problems in a few schools in a program of nationwide scope into a "cause celeb". The wolves on the Hill express their outrage; AID leadership quaked at the reaction. The end result is that my successor in Cairo, Hank Bassford, ended up terminating the highly successful primary school construction program because of the political backlash created by the hypercritical IG audit report, and the malicious, political marketing of that report by Beckington to the Washington audience.

Q: What do you think was behind this IG's report?

BROWN: Well, I have my own theory, which is much broader than just this audit report. I believe Beckington really wanted to do away with foreign aid. For whatever reason, he didn't like it. Although he'd never admit it. He always professed sanctimoniously how he wanted to strengthen the management of the program. His auditors wrote hypercritical audit reports which trashed the program-all of course intended "to strengthen the management of the program". Sure they were. He hired a group of vicious, misanthropic fraud investigators whose mentality were prosecutors rather than investigators. They really believed that everybody was essentially corrupt until proven innocent. And it was just a question of doing enough investigation to get the goods on anybody. I had never seen a more repelling group on the federal payroll. They only saw the bad. The glass wasn't even half full to them, it was just a waste of water. They took pleasure in "getting" people. Clearly, there is a need for an inspector general in government operations, but the type of people Beckington brought together in the AID Inspector General's office were a perversion of this legitimate function. So, I think Beckington and his crew of auditors and investigators really discredited AID and enabled the scandal-hungry media to began the public trashing of US foreign assistance, during what I call the "dark ages" of AID, the Roskin period. Beckington did enough damage that AID lost its credibility and reputation-which is why AID has been teetering on the brink of extinction as a separate agency.

Q: What are some of the other programs in Egypt that you felt were significant that you were trying to promote?

BROWN: Well, the fundamental problem for Egypt was to raise the low productivity of the economy. This involved a broad range of activities, including price incentives to increase private

investment and force public enterprise to become more efficient; reducing subsidies on interest rates and goods; and liberalizing the extensive controls over the economy. We negotiated increases in electricity tariffs, reduced subsidies on key food commodities, reduction of interest rate subsidies, and price and acreage decontrol of major food crops. In an effort to put pressure on public sector enterprise was to sharply cut back US support in this area. This was a monstrosity modeled on the Soviet system where the government does everything. The Russians had been deeply involved in Egypt a number of years under President Sadat and had taught the Egyptians how to nationalize and operate everything. I had inherited from our predecessors a number of projects supporting public sector enterprises. Most of them were highly inefficient, and probably hopeless as productive enterprises, and I got us out of those programs and shifted the focus of our support to a new private sector effort .

Q: We had stopped supporting government enterprise, but they continued?

BROWN. When AID went back into Egypt in the mid-'70s, the US party line was to help the Egyptians wherever we could. The massive public enterprise sector is where the Egyptians wanted our assistance to go. When I arrived in Egypt in 1987 the firms we were still supporting were losing money, highly over-staffed and inefficient, using outdated technology and depending on subsidies on inputs. AID was just another source of subsidy. After protracted and difficult negotiations, we also drastically reduced the proportion of the commodity import program which went to public sector firms. We would have gone even further except for the political pressure mounted by the West Virginia coal producers who had been exporting to the Egyptian Government for years under AID's commodity import program.

Other successful programs I would cite include water and sewerage, power generation and rate reform. As I recall, more than 20 million Egyptians nationwide benefitted from our water and sewerage investments. I also inherited a big irrigation program that was also nationwide in scope and working very well in terms of land leveling, dikes and water management technology. Unfortunately, we failed to persuade the government to implement their earlier commitment to charge farmers for the cost of water.

It turned out that free water was considered a fundamental right for all Egyptians, the life blood of the Nile Valley. We pressured them for four years, got close but couldn't get them to act on their promises. They just weren't willing to charge for water, notwithstanding the fact they desperately needed the revenue it would produce. And so after I left, my successor again had no choice but to terminate the almost ten year old irrigation program that had helped more than two million farm families. I might mention that my successor, Hank Bassford, had the benefit of having a new harder-nosed ambassador, Bob Pelletreau, who was willing to accept more unhappiness from the Egyptians than was Frank Wisner. I don't know if there had been a shift in the Washington's attitude toward Egypt, or Frank gave more importance than was necessary to the warmth of our relationship with them. In any case, Hank was able to get tougher with the Egyptians than I was. I would have like to have that greater flexibility.

Q: Were you involved in local development? The decentralization efforts program?

BROWN: Yes. It was a nationwide program intended to decentralize government services to the

local and provincial levels. Local councils in each province selected, planned and carried out priority basic services projects. It was a very effective vehicle for improving municipal infrastructure, such things as water and sewerage, roads, clinics, schools, and municipal equipment. One of the secrets to its success was the \$80-90 million we had been providing every year for ten years to finance the local investments. One of the problems I found was that the advocates for the project within the mission were exaggerating its achievements. They were true believers in local development, and were not shy about claiming successes that hadn't gone beyond the concept stage.

Q: What was the main reason for its shortfall?

BROWN: Well, the Egyptian society is still evolving along a continuum, one that began some 8,000 years ago and still has a long way to go. Egypt had been a very authoritarian society, dominated by the central authority in Cairo, and more recently, and to a much lesser degree, by the appointed local governors. The fact that local councils were successfully spending money on local projects did not mean Egypt had achieved grass roots democracy where informed citizens believed they had the right to, and were, managing and controlling local affairs. We had greater success in some provinces, or governorates as they were called, and less elsewhere. Governor Achmed Gouweli of the province of Damietta, was the chairman of the governors' committee that ran the local development program. He was a US-trained, bright younger politician, and a former military officer. He was the driving force on the Egyptian side. He saw the need for promote more participation, more local autonomy, more responsibility for providing and maintaining local services and the need to raise local revenue. But many of his fellow governors were hard line, former generals who saw their principal problem as defending against the inevitable Israeli attack. They were obsessed with national security and Israel. Most of them were really not equipped to be governors or politicians in a democratic framework; they came out of the command and control structure of the Egyptian military, and probably military intelligence. So, despite the best rhetoric of the mission's local development advocates, the environment was not entirely fertile for this kind of a grassroots effort. The other aspect that was oversold was local revenue mobilization. This is a crucial area for assuring local autonomy and financial strength. I think our mission advocates had been in the Arab world so long that they had slipped into the believing that "saying something makes it so." When I arrived in Cairo they talked as if local resource mobilization was a reality; when I left four years later, we were still negotiating with the central government over this proposal. Over more than a decade AID contributed about one billion dollars to the local development program, and made a significant improvement in the quality of government and local infrastructure in many of the Egyptian provinces.

Q: Are there other program areas that you were interested in?

BROWN: We had a very successful health program focused on child survival, control of diarrheal diseases and cost recovery in health care. Significant progress had been made in reducing child mortality from diarrheal diseases. As a result of an extensive education effort throughout the country, Egypt had the highest level of awareness, and of use, of oral rehydration therapy in the developing world. They had extensive coverage by the health system throughout the country, but the quality and efficiency of service left a lot to be desired. We also had a very

large and successful family planning program, which generated a minor scandal. We discovered that some people in the health ministry were selling our donated condoms as balloons in upper Egypt. The problem was corrected, and the culprits punished; but the IG still did its best make this into a big scandal. Fortunately, it seemed to blow over without further repercussions..

One of the fascinating things about the country was the extensive information and communication systems they had in place. These served a variety of purposes. For example, Agriculture Minister Yusuf Wali, was also a deputy prime minister and the chairman of the ruling political party, and he had his own intelligence network. Every day he would get a brief report from each province about what was going on. The local extension agents and the ruling party's local agent would prepare reports on the agricultural situation, peasant attitudes, political intrigue or unrest in the villages or other noteworthy events. So he could tell you what was going on in any given province or community based on his own feelers. Meanwhile, the government had three official intelligence services, just like the Soviets had. These three networks of intelligence services watched each other, and everybody else, throughout the country. They didn't bother us, but we knew they were out there keeping track of what we were doing.

Agriculture was a complex area. On the one hand we had made some important gains in reforming the state agriculture bank, reducing or eliminating subsidies on inputs and interest rates and removing government price controls on output. In addition, we were providing new technologies and unsubsidized credit to an increasing number of small farmers through a network of village banks. As a result, small farmers were increasing their productivity, raising their incomes and producing more food and other crops. On the other hand, I had inherited a impossible project to assist the Agriculture Ministry to totally modernize itself-at a cost of \$300 million-and to refurbish everything from test tubes to ministry buildings. My predecessor, Frank Kimball, who was normally a tough, hard-nosed realist, had apparently given this extraordinary commitment to Agriculture Minister Wali. Now without doubt, Wali was the most liberal and modern-thinking minister in the government. In fact, I was go so far as to call him "extraordinary." He had an amazing intellect. A devout Muslim who had detailed knowledge of both Christianity and Judaism. Meeting with him was like talking to a mystic. I found him a delightful but rather enigmatic person. He was very pro-US and US technology, and he was the major advocate with the government for closer relations with Israel, an extremely sensitive political issue. He wanted to build bridges to Israel, and had undertaken a number of US-financed joint agricultural research projects with the Israelis in the Egyptian desert. He was highly regarded by the US, and by those who wanted closer Egyptian-Israeli ties. So for whatever reason, Frank Kimball had made him this awful commitment of three hundred million dollars to renew, refurbish, reequip and retrain his entire ministry. And I had to try to somehow extricate us from that enormous and wasteful undertaking. The project was far too big, focused too much on hardware, software and physical construction. It was a prestige project. Every Egyptian minister wanted to build his monument, and usually at AID expense; and mystical Minister Wali was no exception. The full name of the ministry was Ministry of Agriculture and Land Reclamation. This latter part of the name referred to the high cost quest to farm the desert by reclaiming land adjacent to the Nile Valley. This was a manifest destiny issue for the Egyptians. They knew it had to be done; costs were irrelevant. It was clear that the economic returns from our investment in this \$300 million agricultural monument were highly questionable. I also discovered that AID had financed the construction of large government

training centers for nearly every minister in the cabinet. If I did nothing else, I put an end to that practice.

Q: This was for agriculture research?

BROWN: Everything -- research, extension, administration. Everybody gets new offices, new equipment, new computers, new research stations, what-have-you. The ministry was not a dynamic organization. It was enormous and over-staffed. There were parts of it that were useful, and there were a number of US trained agronomists and ag-economists. But too many of the senior professionals simply wanted the status and prestige their advanced degrees accorded them in Egyptian society; they did not want to do serious work. At the same time, however, they were very skilled at political maneuvering and intrigue within the ministry. And typically at the expense of the younger US-trained reformers who were trying to bring about constructive change in how the country managed this important economic sector. I finally managed to get Wali to agree to cut the project in half, to reduce it by half.

Q: How were you able to do that?

BROWN: Well, we had a couple of serendipitous scandals involving one of his key people involved in the project. I went to Minister Wali and told him that, "This scandal has reached our Congress, and to keep the project alive, we have to do some major surgery, to show that we are tightening up the management." That was absolutely true; I wasn't making it up. So he agreed we'd cut it in half, which was still too much. But one hundred fifty was a lot better than three hundred. I'm sure Egypt will benefit from the project, but not enough to justify \$150 million. The Egyptian agricultural bureaucracy was so set in its ways, and its members too concerned with appearance and with having the title rather than producing any useful results.

Q: I was going to ask you how did you find working with the Egyptians?

BROWN: A constant struggle. The Arab culture is quite different from Western culture in many ways. Interesting I found that several parts of the Latin culture trace their roots to the Arabs, courtesy of the Moors in Spain. Unfortunately, these traits are not particularly appealing. For example, being overly concerned with appearances, with status and prestige, with power and position-as opposed to merit, hard work and accomplishment. Putting personal connections and relationships above everything else-including rules and laws. Saying what the other person wants to hear, as opposed to the truth. Saying "yes" when you mean "no." Promising what you can't deliver; saying you'll do something you never intend to do; and thinking that if you say something, that is the same as doing it. Never being on time. Having a conspiratorial mindset. In Latin societies, these traits exist, but when you talk about them as a part of the Latin culture tends to create ambivalence or discomfort among Latins. In the Arab world, they tend to be accepted as basic aspects of the culture itself. These can be frustrating characteristics to deal with.

And then of course, the Egyptians were master negotiators. And you could spend a lot of time writing an agreement, negotiating it, going over and over a provision and finally reaching an agreement and signing it. Then the next day they might come back and say, "We can't live with

it. We have to renegotiate." There was never a bottom line. You could take it as high as you wanted; negotiate as long as you wanted, but you never could nail down something for sure. It might take them six months or a year, but they often would come back saying, "We can't live with that."

Q: Did you ever really understand what was behind this? Was it just they found something out or they just never really...?

BROWN: I believe it comes from a bazaar or trader-based culture, where haggling and negotiating is a way of life. They grind you down and then finally when you think you've got an agreement, you find you don't; and what they have agreed to they now tell you they can't do. So that was very frustrating.

I found that the best way around this problem was to try to concentrate resources on those few Western-oriented, modern Egyptians who would honor their word or agreement. People who had what we call "integrity." I'm not sure the Egyptians have an equivalent concept in their culture. Three ministers in particular were men of their word: Wali in agriculture; Maher Abaza in energy; and Fuad Sultan in tourism. These were honorable men in our terms; when they told you something or agreed to something, they would stick with it.

One of the awkward things was this was not the case for the minister of public works, a gentleman named Kefrawi, who had responsibility for water and sewerage investments. Unfortunately, this was our largest area of investment. He was very much a traditional Egyptian. He looked like a large bear, was always eating, had a heart problem due to his weight. You were in the bazaar at all times when you were dealing with him. He had no idea was one's "word" meant. And whatever he agreed to was meaningless because he would undercut you later with no hesitation. We were constantly pushing him on raising water and sewerage rates to economic level, on getting competent staff to manage projects, and on not browbeating or harassing US consultants and contractors and not bringing frivolous claims against them.

Kefrawi was a coarse, traditional politician. He believed in getting all you could and giving nothing in return. That was very difficult for us because we had major, multimillion dollar investments in water and sewerage systems in both Cairo and Alexandria, and in the major secondary cities. These projects all involved numerous US consulting and construction firms. And these firms were often getting treated unfairly by Kefrawi or his agents, and of course if we couldn't resolve the problem, they went to their Congressmen. Unfortunately, Kefrawi had the confidence of President Mubarak, so he wasn't easy to deal with, even when I took Ambassador Wisner with me to protest his high jinks. Kefrawi was minister long before I got to Egypt and still in power after I left the country.

Q: Did you meet Mubarak?

BROWN: I met him on several occasions. But remember Egyptians are very status conscious. President Mubarak saw as his counterpart President Bush or maybe Secretary Baker. He met with Ambassador Wisner regularly, but Wisner was just an emissary to Mubarak. The AID Director was somebody he knew was in his country, but that was about all. He knew who I was,

but he didn't pay much attention to the AID program.

Q: What kind of impression did you have of the man?

BROWN: I thought he was a real statesman. He was a visionary in foreign affairs and had a keen sense on how to govern his people. He was a very good politician. He really believes in peace in the Middle East and in working with Israelis. He was also a very cautious, suspicious person who, like most Egyptians, saw conspiracies everywhere. I don't think he had a clear concept of how to modernize Egypt. What he knew best was how to manage a socialist state where the government produces most goods, employs most people and subsidizes everything. The old joke about the Soviet system also applied to Egypt: "They pretend to work and the government pretends to pay them".

Mubarak didn't have a vision or didn't believe that you could take that interlocking structure apart without creating an upheaval from the fundamentalist right. So he was resistant, on almost every occasion, to the efforts by ourselves, the World Bank and the IMF to liberalize the economy. Typically his tactic was to agree to the idea, but argue for a much slower pace of implementation. Within his cabinet, ministers like Wali and Fuad Sultan would argue for faster paced liberalization, but they were the minority voices. I believe Mubarak feared that Egypt could not take off controls, privatize state enterprise and move toward market mechanisms without coming apart politically.

In the years since I left Egypt, Mubarak seems to be moving more rapidly in the liberalization process. Privatization is now much more widespread. We launched privatization as a pilot effort while I was there, working with Minister Wali who was its strong advocate.

Q: Other observations on your experience in Egypt?

BROWN: Well, what was unique, and very satisfying, was that I was running an essentially autonomous mission. Frank Kimball, when he was AID Counselor and before he went to Egypt as director, had written into the charter that the director in Egypt had the same authorities as the AID Administrator. So, I had my earmarked budget, my congressional mandate and full authority to develop, approve and carry out my program. I really didn't need Washington other than to fill my staff vacancies. It was a unique experience; I thoroughly enjoyed it.

Q: Had they broken the oversight relation to the Near East Bureau?

BROWN: Yes. First, Brad Langmaid, the heavy-handed former DAA in the NE Bureau had moved on. And second, Kimball had made it clear during his three years in Cairo that the director runs the program without second-guessing out of Washington. And by the time I got there was no problem with oversight from Washington. I had visits from two Assistant Administrators, Julia Block and Carol Adelman each came out once; and they were happy with what they saw. Essentially, I enjoyed four years of not having to fight battles with Washington over money or policy direction. We had our direction, and there wasn't a lot of flexibility. You couldn't change the direction of the ship too much. There was room however to devise the energy sector program and to introduce a new private sector-based small enterprise program, the model

for which I brought from Latin America. My otherwise-sensible staff assured me it would never work in Egypt. To their surprise, within a couple of years, we had AID's largest small enterprise program in the world. It was the largest because we had so much money to put into it to get it going. A pilot program in Egypt was still enormous by normal mission standards. We were providing a very significant amount of credit to small businesses, and filling an important gap in the financial system.

Q: Do you feel in that context where the political limitation of what you can do was so clear cut that the development program really was compromised much and maybe it would have been better to just give them a check, like we did with Israel?

BROWN: No. I believe that would have resulted in a real waste of resources. Despite the problems, I think we were getting a good "bang for our buck" in the major sectors we were working in. Power generation and rate reform, water and wastewater, agriculture reform, health and family planning, local development. We achieved things in these areas that the Egyptians couldn't have dreamed of-or bothered with. Left to their own devices, the Egyptians would have built water and sewerage systems that didn't work-they did that consistently during the years before AID went back into Egypt. When I left Egypt AID had provided the staggering sum of \$16 billion over the previous sixteen years. If this had all been in cash, Egypt would likely have become a totally subsidized, unproductive, hopeless socialist state that probably would have eventually followed the Soviet model into meltdown.

Q: But a lot of even the power sector and others were subsidized?

BROWN: Not all. As a result of our power sector program, we had the government on a multi-year path of power rate increases towards market prices. We would only disburse if they had raised rates the agreed amounts. Fortunately, we had Maher Abaza as minister. An intelligent professional engineer, trained in Scandinavia. That was a success story. We also were successful in eliminating the subsidy in small farmer lending by the Agriculture Bank.

Q: That with the prospect of a sustainable program?

BROWN: That's right. Agriculture under Minister Wali was progressively moving toward market prices. And in the electric power area, Minister Abaza was raising rates to world market prices so that they could be self-sustaining in energy. That was a major achievement for them. Water and sewage was a much more difficult case. It was a constant struggle. To have moved the country on to a sustainable growth path, I would have liked to have been able to condition about \$300 million a year on internal reforms. Reforms that would remove state controls and regulations on markets and prices. I would argue that we were getting reasonably good development results from at least half the program. The other half should have been conditioned on the progressive liberalization of the economy.

KENTON W. KEITH
Public Affairs Officer, USIS

Cairo (1988-1992)

Ambassador Keith was born and raised in Kansas City, Missouri. After graduating from the University of Kansas he served with the US Navy before entering the Foreign Service in 1965. An Arabic speaking Officer, Ambassador Keith served as Public Affairs Officer and/ or Cultural Affairs in Iraq, Saudi Arabia, Morocco, Syria, France and Brazil before his appointment as US Ambassador to Qatar. His Washington service included several tours in senior positions with USIA. Ambassador Keith was interviewed by Charles Stuart Kennedy in 1998.

Q: In '88, you left.

KEITH: I could have stayed one more year in Paris, but in '88, the job of public affairs officer in Cairo came open. It was the job I'd always wanted. For somebody who had worked in that part of the world, that is the job you're looking for. I had a chance for it, so I left Paris a year early and off I went to Cairo.

Q: You were in Cairo from '88 to when?

KEITH: '92.

Q: What was the state of American relations with Egypt when you arrived?

KEITH: Mostly positive. We had a very strong relationship with the government, particularly with Mubarak. We had an enormous AID mission there. I think the aid money that was going to Israel and Egypt accounted for the lion's share of American aid spending worldwide. It was clearly meant to support both governments and their roles in the peace process. As a result of this development assistance the quality of life of the average Egyptian was being gradually improved by sewage projects, a new telephone system, provincial healthcare centers, etc. At one point, AID was building a school a day. Our projects were not spectacular in the way that other donor nations worked. The Japanese built a huge, beautiful opera house and the Chinese built a basketball stadium. These were visibly symbolic, the kind of showcase projects where you drive by and say, "That beautiful thing was built by the Chinese or the Japanese." No, a lot of the stuff that we built – the world's largest sewage system – you couldn't see. But it did improve the quality of life of people in Egypt. There were challenges because we were pressing the Egyptians for economic reforms which had to start with a reengineering of their social welfare system. We felt that necessary reforms included major reform of the government apparatus. Millions of Egyptians worked for the government basically as a form of welfare, creating huge state enterprises that were tremendous drains on the society. These were moves we pressured the Egyptians into taking that put pressure on the poor; short run pain, we believed, as a necessary precursor to long range economic health of the country. Still, if you have to raise the price of bread because you can no longer afford to subsidize bread, or if you have to raise a four cent bus ride to five cents, etc., it's hard for us to imagine what a dramatic difference that can make to people, but it did, and Egyptians blamed the resulting difficulties on Washington.

And it wasn't just the poor. You could get a very well reasoned, very articulately presented argument by a middle class Egyptian educated in London, New York, or Chicago, as to why this huge and this massive government structure was good for the country, why even if it was inefficient in what it actually produced, it was by their lights a way of giving people a few pennies and some dignity and keeping them off the streets.

Q: Were there concerns on our part... We had gone through something equivalent to this in Iran where we had something like 40,000 technicians, Americans, and it didn't sit very well. It was one of the causes of the revolution.

KEITH: The situation was never as acute in Egypt as in Iran. There were occasional editorials about so much of the AID money going back to the United States through American contractors and so on, but it was not the AID program itself that came in for the most criticism, so much as it was the government itself. Mubarak was not regarded as a brilliant man. In fact, he was the subject of a lot of jokes because he was maladroit and his public statements were occasionally quite awkward. So, people began to think of him and his political allies as the major problem with the society, more than the sinister American hand.

But Mubarak was quite sensitive to the dangers of a population under economic pressure. In the early '90s when the Algerians started to riot because of price rises blamed on the strictures imposed by the International Monetary Fund, Mubarak reacted quickly. He warned us that, "The kinds of riots you see in Algeria could happen here. You've got to give me room and some time to implement these things. I know where I want to go, but these strictures are going to get people in the street and that's not going to allow us to make the changes."

Q: On your part, who was the ambassador?

KEITH: My first ambassador was Frank Wisner.

Q A strong professional.

KEITH: Yes. I think his intellectual strength, personal prestige, high energy, and management of the U.S. government resources in Egypt made him the perfect ambassador for the time. He could be a hard man to work for. You had long days. He may have had four or five ideas a day. At least a couple of them were very good ideas. So, as hard as it was to plan ahead and to follow some kind of strategy, at the end of the day, you had to feel that if you moved in the direction that he seemed to be pointing in at any given time, you in fact moving in the right direction, and you weren't wasting time or resources.

Q: How did he use you?

KEITH: He told me when I got there that he found that the public affairs function was vital across the board, that I should be involved in everything, that my responsibilities were not just in deploying USIS resources, but in being the public affairs advisor for every element of the mission. He said he expected USIS to be active in representational activity and promised he would be available to participate in our programs. He thought we could be especially useful in

improving the image of the American private sector in Egypt. There was a residual feeling, especially on the left but also among middle class intellectuals that the presence of American companies was eventually going to be harmful to Egyptian interests. This was an ingrained fear fostered during the Nasser period. They acknowledged that western private interests would increase the availability of consumer products, but feared there will be a price to pay down the road in terms of price rises and a diminished protective role for the state. I've never seen a clearer justification than the one he came up with for a kind of aggressive public relations campaign that would involve American business in Egypt as good corporate citizens. He twisted their arms and got them to shell out some money. We were bringing opera and ballet to Egypt to perform in their new opera house, largely using private sector funds – both U.S. and Egyptian – to finance this public activity. I do think it helped to project a positive image of the corporate sector, and to that extent helped in the broader campaign to modernize the Egyptian economic system.

Q: I'm thinking back to the Nasser times and the newspapers there. Everything seemed to be exaggerated. How was it by the time you got there?

KEITH: It was much milder, of course. We had good relations with all of the major newspapers, including Nasser's old mouthpiece, Al Ahram. It wasn't the Al Ahrams of the Egyptian media that gave us so much trouble, it was the religious papers. Islam has a tremendous trump card. People who declare themselves Islamicists start with a benefit of the doubt in the minds of a lot of people. So, if you are an articulate writer who has suffered for his religion, you can say prints of the wildest nonsense and people won't necessarily dismiss it. Our most formidable foe wasn't the left but the religious right. The religious right regarded as the a more important enemy than the government. Of course they felt that we propped up a government they detested, but our presence in Egyptian affairs was more important than Mubarak. Absent the United States, they believed, Mubarak would be swept away overnight. I think that was nonsense, but it was their basic philosophy. We were the anti-religious element that was standing in the way of a truly Islamic Egypt.

Q: Was there anything we could do on the public affairs side to respond to these attacks of the religious right?

KEITH: It was awfully hard. We tried to get our policy positions into the mainstream papers and to some extent we were quite successful. We had good relations with the major columnists and the managing editors and so on. On the religious side, people who wrote that American society is anti-religious and totally decadent – in some cases, we found that it was at least worth a try to send them to the U.S. on an IV program to see for themselves the importance of religion in American life.

Q: We're probably the most voluntary churchgoing country in the Christian world.

KEITH: That is certainly the impression one would get by visiting any American city on a Sunday, or by watching religious broadcasting. In fact, one of the most important of these figures returned from an IV visit and wrote, "We were wrong about this. A lot of people go to church and live a pious life. But what we weren't wrong about..." and then they'd go on to other

matters: the presence of pornography, the presence of homelessness, and so on, that Americans are churchgoing people and certainly don't suffer for their religious beliefs, but somehow the safety net has let a lot of people fall through and the authorities sit back and watch while children become addicted to drugs.

Q: Was there much of a cultural exchange?

KEITH: Yes. We had access at all levels. I've mentioned the importance of cultural presentations in the Egyptian context. We also had an active International Visitor Program, and an extremely active bi-national Fulbright exchange commission. And we shouldn't forget the dozens, really hundreds of Egyptians who traveled to the U.S. on USAID training programs.

The Egyptian experience was different from my time in other Arab countries such as Syrian and Iraq. There were intellectuals in Egypt who, by and large, shared the general leftist anti-American biases. But they were open to debate. The internationally known Mohamed Sid Ahmed was a regular contributor to Western journals and media debates, as were a number of others. I was invited on a cruise on the Nile that had well-known leftist intellectuals from Egypt and Europe such as Regis Debray. I suppose I was invited to provide some balance -- another point of view. We had endless discussions about the next 20 years and the challenges of radical Islam and the challenges of an unfettered market economy and so on. There was also a man there, an Islamicist whose name I don't remember, who had his say. I suppose I was there to provide the view from capitalist America. It was a fascinating four day cruise. There was no real agenda. A group would start a conversation, the rest would wander over and join in. The conversation would carry over through lunch, and in the afternoons we drank gin and tonics. We'd visit the temples along the Nile and have dinner. It was wonderful.

Q: Let's talk about what you were doing at the time of the Iraqi invasion of Kuwait. This must have put you on...

KEITH: A totally different footing. I was coming back from vacation and I arrived the day after the invasion from vacation in France. Everything had changed. That night I went to the home of a French embassy colleague, who lived right down the street. He was of the Socialist Party in France and knew a lot of people on the Egyptian left, as did I. At his house that night, we all were talking about the war. One of the guests was Youssef Chahine, the great Egyptian filmmaker. I became really close to him over the years that I was there and am still in touch with him. Chahine and the other Egyptian guests were beside themselves with glee. They hated the Kuwaitis. To them, the Kuwaitis represented the worst of the worst in the Gulf. They were arrogant, totally undeserving of their wealth, worse than anybody else. When they came to Cairo as tourists, they lorded it over the Egyptians.

But Iraqis were not much higher on the popularity list. It needs also to be remembered that many Egyptians went to Iraq during the 1980s war between Iraq and Iran. While Iraqi soldiers were out in the marshes fighting the Iranians, Egyptians -- more than a million of them -- were plowing the fields. And they were treated badly. They came back with a collective bad taste in their mouth.

Even so, the first reaction of Egyptians to the invasion was a spontaneous feeling: the Kuwaitis

are getting what they deserve. But 24 hours later, they had thought things over and the idea of a member of the Arab League, a member of the United Nations, being just swallowed up by a country that is run by a madman like Saddam Hussein was more than they could stomach. Within days, the country had really been mobilized to oppose the invasion.

Q: Was this an official program supported by Mubarak?

KEITH: Yes. Opposition to the invasion was an Arab League decision.

Q: With our USIS effort, was there much need to pound the drums in Egypt or was it that once the stakes were seen, it didn't require much on our part?

KEITH: As soon as Egyptian soldiers were committed, the country was behind them. Egyptians actually took part in combat against the Iraqis, as did Saudis and Qataris. Other countries provided financial and logistical support in the war.

My work changed somewhat because of the presence of the Kuwaiti Ministry of Information in exile, a big part of which was in Cairo. Wisner asked me to help them map out a strategy and just basically learn how to run a press office. Thus, I became a kind of consultant to the Kuwaiti government in exile.

At the beginning they were spinning their wheels, trying to get over the shock of events. They were not so much surprised that Saddam Hussein had attacked them, but at the initial emotional acceptance by many in the Arab world. "How could they do this to us? How could the first reaction of the Arab world be such an expression of anti-Kuwait feeling – after all we've done for them?" My advice was : "Job one is going to be facing reality. Reality is that you are not loved despite your largesse. Your money always comes with strings attached. It is regarded as unearned and badly used. And the attitude of your people when they travel is insufferable. So now you take a higher road. You acknowledge that people have misunderstood you or you acknowledge that you may have misunderstood them. But you say that the money you gave to build mosques in such and such a town was not to pray to Kuwait, but to pray to God, and you were pleased to be able to do that. You may not know that mosque was built by us, but it was. We used our money to help Iraq in its long war with Iran. So, we are the victims of an unfair act. We have been victimized by a very powerful enemy who was our brother. We are both members of the Arab League. Tell the story this way and you'll have people focusing on the right things. And you've got to get your young men out of the discos. That is not helping your image."

Q: Did Americans shop for a commitment?

KEITH: Oh, yes, especially in the Gulf, but everywhere. The Gulf nations knew that we were the only means of protection in a very tough neighborhood. If Kuwait could be swallowed up, so could Saudi Arabia – at least the Eastern Province. So could Qatar and the UAE and Oman. They came out of that experience realizing that as distasteful at some level as it might be, it is in their interest to have a security blanket and that security blanket is the United States. The United States has the resources and the interest, and is not bent on acquiring Arab territory. So, those are the motivating factors behind agreements that we have with all of the Gulf countries.

Clearly such a commitment can only go forward if there is consensus in the U.S. Congress. And this was certainly a factor in an improving relationship between the Arab states and Israel. It wasn't long before Israelis were coming to the region for meetings that grew out of the Madrid Peace Conference, and shortly after the tertiary boycott by the Arab world against Israel was lifted. So, some progress was made. In an ironic way, much was accomplished thanks to the war Saddam Hussein precipitated.

Q: We couldn't have asked for a better person.

KEITH: I've always thought that Saddam Hussein unwittingly gave my career a boost. The things that I was doing in Egypt were certainly out of the ordinary. I wouldn't have seen Jim Baker 14 times in the normal course of events. The work of my staff wouldn't have been seen often enough to be appreciated by Baker's staff. All of that played into a nice acceleration for my career.

Q: Out of this, you got an appointment as ambassador.

KEITH: Yes.

Q: Did Secretary Baker use your facilities?

KEITH: Frequently. He and his staff, particularly Margaret Tutwiler, were demanding. They were very demanding. When they came to Cairo, in and out of Cairo, many times and had flawless support, they noticed it. So, when the time came for that 1991 Madrid Peace Conference Tutwiler said, "I want you in Madrid tomorrow."

WESLEY EGAN
Deputy Chief of Mission
Cairo (1990-1993)

Ambassador Wesley Egan was born in Wisconsin and raised in military bases both in the United States and abroad. He attended the University of North Carolina, Chapel Hill and served in the US Air Force. He entered the Foreign Service in 1971 and held positions in South Africa, Portugal, Zambia, Egypt, as well as an ambassadorship to Guinea-Bissau and an ambassadorship to Jordan. Ambassador Egan was interviewed by Charles Stuart Kennedy in 2003.

Q: Okay, well, Wes, the next time we'll pick this up when you're off to that tranquil spot known as the Middle East.

EGAN: Cairo.

Q: Cairo. This will be in 1990?

EGAN: The summer of 1990 two weeks before Iraq invaded Kuwait.

Q: Okay.

After a certain hiatus we're back again. Today is the 19th of November, 2004, Wes, what did you, how did you get, what job did you have in Cairo, how long were you there and then we'll talk about the situation.

EGAN: I was the DCM in Cairo from the summer of 1990 until the summer of 1993. Frank Wisner was the ambassador and oddly, as had been the case when he called me to ask me to be his DCM in Lusaka in '79, I had a call one afternoon in Lisbon and he asked me if I would be his DCM in Cairo.

Q: All right. Well, when you arrived, this is the first two weeks you might say, what was preoccupying us I mean what did you expect to find? Did you see this almost purely as a management job because it's the biggest embassy in the world isn't it or something?

EGAN: I expected it to be a big embassy, which as you say, it was. I felt I didn't know very much about the Middle East. I had never served in the region. I did not speak Arabic. With the exception of a couple of years in Tripoli, Libya in the early '50s, it's a part of the world that I used to look at and when I thought about its contemporary politics, I used to say to myself, I will never understand this place. I'll never figure out who all these people are and what their histories are and what their grievances are. I remember, even in Lisbon, when we used to get instructions to go in the Portuguese government with a demarche on an issue related to the peace process or Israeli credentials, I always felt I had to think sort of extra hard about it to make sure I didn't sound uninformed. Frank Wisner was an old friend and his DCM, Jock Covey was leaving Cairo to return to a Washington assignment. Jock was leaving to become the senior deputy assistant secretary in NEA under John Kelly.

I got there I think around the middle of July, sometime after the 4th of July. I did not go back to Washington. I went from Lisbon to Cairo so I didn't have any consultations to Washington. Frank had not had leave in a long, long time. Within a couple of weeks of the time I arrived, he left for the United States on home leave. In early August of course Iraq invaded Kuwait. Washington was excited. The Egyptians were excited. Frank was sitting on the Eastern Shore of Maryland and of course within a week or so was back in Cairo.

Q: We'll come back to the management side later, but let's just deal with the Iraqi thing. What were you picking up at the beginning because the role of Egypt was sort of crucial to our understanding of what Saddam Hussein was not going to do almost? What were you, with Wisner and when you were there, what were you getting from the Egyptians about reading what Saddam was going to do?

EGAN: Well, despite the fact that there has never been love lost between the Egyptians and the Kuwaitis, the Egyptians saw this as a dangerous move that could not be allowed to stand. There was no hesitation in their mind that Baghdad, that Saddam Hussein, needed to be pushed back

out of Kuwait. The territorial sovereignty issues and the petroleum issues and the northeastern oil fields in Saudi Arabia being important to the Egyptians as well. The Arab League was meeting in Cairo at the time and there were several key votes in the League on the Iraqi invasion of Kuwait. We had views on those issues and communicated those views to the leadership of the League and the members. Those votes all supported our position and the broader Western position to the Iraqi invasion. When we then quickly began to pull together a very broadly based international coalition to resist Iraqi aggression when it became clear that he had no intention of leaving Kuwait, the Egyptians played a crucial role in the development of that international consensus and in the military buildup. Egypt was of important support to U.S. and other allied military components when the war was actually launched. We were pushing against an open door with respect to Egyptian policy and we needed Egyptian support, not only in a political way, we actually needed it militarily and logistically. We needed access for nuclear powered vessels to transit the Suez Canal and we needed an incredible number of overflight authorizations to get our personnel and our equipment into position in Saudi Arabia and in the Gulf.

Q: Let's say, when you arrived and by the time you arrived and even before Wisner left, but leading up to this, Saddam was making some moves, threatening Iraq and my understanding.

EGAN: Threatening Kuwait.

Q: I mean threatening Kuwait, my understanding is that the Egyptians were downplaying this as being, this is just Saddam playing games. I mean the Kuwaitis were, too. I mean were you getting that from the Egyptians?

EGAN: I don't recall because I arrived so soon before Iraq moved in Kuwait. There was a fair amount of noise in the weeks preceding the Iraqi push across the border. We took those maneuverings and public statements out of Baghdad seriously and thought they were worrisome and so did the Egyptians, but we and the Egyptians were surprised when he crossed into Kuwait. It was not to my memory a case of us waving a flag about a problem and having a close friend and ally in the region poo pooing our concerns. I don't remember that as being part of the Egyptian position at all. Having said that, some of the statements that came out of the Arab League and the steps that many Arab countries including Egypt took in response to the Iraqi invasion were really unprecedented. I mean this is not the way in which the states of the region have traditionally behaved. As I mentioned in the Egyptian cases there's no great love lost between the Egyptians and the Kuwaitis. In fact my experience is that the Kuwaitis are not wildly admired or respected anywhere in the region, but of course that wasn't the issue.

Q: No.

EGAN: The Egyptians also had the luxury of being a little bit distant from the action. The Egyptian/Saudi relationship was also part of the equation. That's a relationship that has sometimes been quite stressful and suspicious. Egypt played a critical role in the deployment of U.S. forces and the work of what was then a credible and legitimate international coalition.

You know, when a thing like the Iraqi invasion of Kuwait happens, everything gets thrown up in the air. One of the unique things about the Egyptian assignment for me was that I think it was

really the first time in my Foreign Service career where I was stationed in a country that was so hugely important to the United States in a strategic and volatile region with really major, major policy issues at play. This was not Lisbon or Guinea-Bissau or Lusaka; this was the big leagues. It was quite overwhelming, not just the size of the mission and the headaches that come with trying to run such a big interagency mission, but just the policy import and the substantive import of the relationship itself to somebody who is new to the region, who has never particularly studied it, had never served there and who didn't speak the language. It was a handful, and not just for the first couple of weeks. I would say it took me almost a year before I felt that I had my feet on the ground and that I had the relationships I needed with the Egyptians to do my job.

Q: Just the management of the embassy, I mean when you've got a war on, everybody kind of has I mean there are very obvious priorities that you have to deal with an awful lot of stuff as you were saying, sort of goes out the window, sort of the niceties of this or that to get the job done. How did you find the embassy put together? I'm thinking of.

EGAN: I think it probably fit together better during the crisis period than it did under normal circumstances. The requirements of the war were so clear and of such a high priority. The embassy, I don't want to say it stopped doing what wasn't essential, but it certainly devoted 90% of its energy to the buildup to the war and the prosecution of the war and the aftermath. I mean we started, rather than having a country team meeting everyday, we had, the ambassador and I and the station chief, had a military brief every morning at 7:30 followed by a country team meeting everyday. The Embassy ran seven days a week. Whereas most embassies in the region drew down their embassy staff and in many cases sent family and dependents home, we probably increased our staff by about 10% or 15%, most of that on the military and the agency side. There was no draw down of staff. Family and dependents stayed at post. It geared up, it focused, it drew on the relationships that people had been working on for years. It had an easy coordinating relationship with Washington, with military commands in the region and in Europe, and with the Egyptian political, military, and intelligence authorities. It was probably the most intense, sustained, pressurized, professional atmosphere I have ever worked in. The military staff of the embassy was unusual in that the defense attaché's office was actually fairly small whereas the office of military cooperation which ran the military assistance program was, as I recall, 125 uniformed military personnel, not counting their civilian staff, both American and Egyptian. It was lead by a major general and the defense attaché was a colonel. The office of military cooperation had the goodies, the defense attaché's office did not. The office of military cooperation and the agency were more central to our response than the defense attaché's office.

Q: How did you find the relationship between sort of the embassy itself and the agency kind of when you arrived and how did it fit together when all of this happened?

EGAN: Well, I found the relationship with the agency a very good one. It was a large and a very busy station. The COS [Chief of Station] had a very close relationship with Egyptian intelligence. The station chief's relationship with the ambassador and myself was terrific. It was built on a lot of trust and a lot of common sense. The station chief at the time was one of the, I would say the best agency officer I have ever worked with. He's now retired from the service. He was not an Arabic language specialist, not even a regional specialist, but in terms of

managing his own staff and assets and his relationship with his Egyptian counterparts, his relationship with the front office and his skill in dealing with other elements of the embassy, particularly the political section and the public affairs section, he was the best station chief I have known and certainly the best one I have ever worked with. Everybody was so busy and so stretched that the irritants that are normally a part of interagency relationships, particularly sometimes between agency personnel and State staff or AID staff, were minimal during this period. That was in retrospect a great advantage to me because I got to know these guys during a period in which there was no question that everybody was there to do a job together. It was a very healthy environment to work in. It ran about a year into the summer of 1991 in its most active form and then we kind of ran on the fumes of that at least for my last two years there because there weren't very many senior personnel changes during that period except for the ambassador. So the station chief, the AID director, the defense attaché, and the public affairs officer who I worked with through '91 and '92 and into '93 were the very people with whom I had made my relationships during the run up to the war and the war itself. So I was lucky.

Q: What was your reading of the Egyptian officials with whom you were dealing both the military and the civilian, you know, intelligence military and foreign affairs?

EGAN: That embassy's access to the leadership, from Mubarak on down, was unlike the access I have seen in any bilateral relationship. I don't think there was another DCM in Cairo who either as DCM or as charge would ever meet directly with Mubarak, the intelligence chief, the chief of staff of the armed forces, or the foreign minister. I did, not because I was Wes Egan, but because this was the American Embassy. Now, you didn't abuse those relationships. You used them carefully, but when you needed to use them, they were there.

Right after the World Trade Center bombing in New York in 1993, I was chargé, the FBI was after a suspect. I got a message very late one night telling me that he was an American citizen and that the FBI thought that he was in Egypt. We wanted him back in New York. Charlie Wilson was visiting at the time.

Q: Charlie Wilson being a congressman from Texas.

EGAN: Congressman Charlie Wilson from Texas, the guy with the stinger over the door of his office up on the Hill. I was taking him to a meeting with President Mubarak. We got to Mubarak's office, sat down, and had a conversation about a variety of things. In the course of that conversation, I said to the president, "There's an American citizen who we are looking for as suspect in the World Trade Center bombings and we think he's in Egypt. If he is, we would like to make arrangements to get him back to New York." The President said he would look into it. A day or so later I had a call from the head of Egyptian intelligence who said the suspect was not in Egypt. Our information was pretty good that he was and that he was in Alexandria. So, I went back to the president and suggested that if his people looked in Alexandria they would probably find him. We know from other sources that following that meeting the president called his head of intelligence and said, "The Americans know he's here. We need to make arrangements to pick him up and surrender him." Meanwhile, I got a message from Washington saying that in fact the suspect was not an American citizen, but an Egyptian/German dual national with resident alien status in the United States. So, I got what I thought was one of the sillier messages I'd ever

received from the Department of State that told me to draft a diplomatic note to the ministry of foreign affairs to explain this, but to say that we still wanted him. I went back to Washington and I said the last person in the world we should be talking to about this was the ministry of foreign affairs, and that if they become part of the process, we'll never get our hands on the suspect. I told Washington I didn't think we should tell the Egyptians that he was not an American because this was not an extradition request, we didn't have an extradition treaty with Egypt. There were several messages back and forth and lots of irate phone calls from Washington. Washington finally agreed. But I went to some lengths to make sure that the assistant secretary for NEA and the director of counter terrorism and the director of diplomatic security all knew what we were doing because I was a little worried about what level of the Department these instructions were coming from.

Q: You might explain for somebody looking at this, was this sort of almost an aftermath of the Ollie North thing or somebody, concern that somebody might be doing this without, as you say grown adults, or senior people.

EGAN: Cairo was the first posting I had during which I grew suspicious and careful of Washington instructions. Too much was done by the telephone. Fortunately this was before the days of e-mails because I think it's probably even worse now. I remember a call at 3:00 one morning from a reasonably senior person in the Department who spent most of the conversation screaming at me on the telephone asking if I didn't know there was a war on? Now, to say that to somebody who is in the field and who is part of the process of doing something about that war, struck me as the ultimate in Washington arrogance. Cairo was the first place I began to grow skeptical and suspicious of instructions and directives from Washington on really fast-moving issues of high visibility.

Q: I interviewed our ambassador in Jordan at the time you were dealing with this.

EGAN: Roger Harrison.

Q: Roger Harrison who was saying he was getting these things about, he was to go to King Hussein and give him holy hell on this and that for not being on the team and all this. He just ignored them because you know the people in Washington; I mean they want to feel they're doing something and they're in control of the situation and don't understand the politics.

EGAN: Roger arrived in Jordan as ambassador almost exactly the same time I arrived in Cairo as DCM and he had a horrible tour. In addition to your point about their wanting to be players and wanting to be seen to be doing something important in the management of a crisis, all of which is sort of understandable, and I've probably done the same thing during some of my time on the 7th floor. There is often a feeling that the people in the field really don't, aren't capable, don't know what they're doing. It just is not true and yet it's not an uncommon view from folks in Washington even career Foreign Service types in Washington. It is not restricted to Schedule C political appointees and it's that aspect of it that I think often is so infuriating to folks who are doing the job on the ground in the field. People back here, after all, can go home and drink the water. They're not in the midst of it seven days a week 24 hours a day. It leaves a very bad taste in your mouth. I think any of us that have been in positions like that could probably give you a

long list of instructions that we've received from the "highest authority" that we have chosen not to implement.

The worst manifestation of it and I think its more common today even than it was then, is Washington's habit of sending you the exact text of your talking points. This idea, this finely crafted language in Washington that you're going to sit there and read them verbatim to whoever you're speaking to on the host government side, I mean I don't know of very many Foreign Service Officers that actually work that way. There's an old expression that says if you have a very important mission or objective to accomplish, pick a very smart person to do it for you and don't tell them what to do. We could learn a lot if we remembered that. That was a big part of my first year in Cairo and I didn't like it.

Q: I interviewed Chas Freeman our ambassador to Saudi Arabia at the time and an inordinate amount of his time was taking congressmen out just to see the troops, they were there mainly to look good to the constituents.

EGAN: Cairo was also a place, and this was particularly true to the run up to the war, I think in the first 12 months I was there we had 800 congressional visitors. Some of those repeats, but 800 times a congressman stepped off the plane. In the case of Cairo it was also because the assistance account was so huge, the second largest in the world and of course those funds are congressionally appropriated and so important committee members and chairmen feel they've got a particular interest in the way those funds are used and of course there is a lot of politics in the AID account and how it was structured. The fun things about that time in Cairo were developing the relationships with the Egyptians that allowed us to do some of the things that we did and seeing it work. We became a sort of rear base for Colin Powell, chairman of the joint chiefs, and for then Secretary of Defense Cheney. Those two were probably in Cairo every six weeks or so and we were a small part of their discussion and consultations to the actual execution of the war. We had, we actually built in the desert out beyond the pyramids a landing strip and a small base for about 2,000 U.S. air force National Guard folks led by one active duty colonel. They flew 17 or 18 KC-135 refueling missions a day during the war. We actually provided about half the aerial refueling for U.S. forces in the Gulf during the war. Half of that was provided by this little installation sitting out in the desert just west of the pyramids. We actually borrowed from the Egyptians 100 heavy equipment transport trucks, HETs. We did not have the transport on the Arabian Peninsula to move tanks and vehicles around and up towards the front and the process of getting the Egyptians to loan us 100 of these things and transporting them to Yanbu and getting them all the way across Saudi Arabia up towards the Kuwaiti border was, that kind of stuff, was great fun because it had an immediate operational impact. It was important to get done for the military component the field. It was desired by Washington and you couldn't have done it if you didn't have the relationships that so many people in that embassy had with their Egyptian counterparts. At least you couldn't have done it as quickly. I think we also probably moved about 10,000 U.S. and allied air craft through Egyptian air space in the prep for that war and we probably did more nuclear powered transits through the Suez Canal in a two or three month period than had ever been done.

Q: Had that been an issue before?

EGAN: Big issue. The Egyptians didn't want nuclear powered or nuclear ships with nuclear weapons transiting the canal. It was a really heady period. When the war was over it was followed by the preparations for the peace conference in Madrid.

Q: Which concerned Israel?

EGAN: It concerned Israel, but it also concerned all of the Arab states and certainly including the Egyptians. So, we went from an intense war fighting period to an almost equally intense peacefighting period in the late summer and fall of '91. The Madrid peace conference was not only great fun to be part of, but it was one of those really historic events. Important things happened in Madrid and important things happened later because of Madrid. I was sitting at home one night in Cairo in November 1991 and the telephone rang. It was somebody from the Secretary's party in Tel Aviv who told me that Secretary Baker was going to announce that the Spanish have agreed to host a peace conference in Madrid and could I be in Madrid in two days? I think they'd gone to several of the DCMs in the region and asked us to get to Madrid quickly to organize, shape, and structure that peace conference and then to stay on as liaison officers between the Secretary's party, and in my case, the Egyptian delegation. Just being part of that process was one of the most rewarding of my own career. Ed Djerejian was the Assistant Secretary at the time. My Cairo experience was also the first time that the pressures of the job began to have a physical impact on me in terms of blood pressure, stress, and that sort of stuff. I think it had that effect on a lot of people who served in that embassy not just because the work was so intense, but because Cairo is not an easy place to live. It's a city of 15 or 16 million people on a workday and even what little private life you have is also very intense. That's the nature of life in that city.

I learned a lot in Cairo. Frank Wisner moved on after about a year and a half and Bob Pelletreau replaced him as ambassador. Bob asked me to stay on for another year and a half or so which I was glad to do. I remember one of the first questions he asked me was what had been the secret of Frank's success. Frank Wisner had by that time been the ambassador in Cairo for over five years. Frank knew everybody. Frank was always everywhere. Frank never stopped running. A man of almost unhuman energy and stamina and sense of purpose and a linguist and a guy who had in fact devoted a large part of his career to the Arab world. Bob and Frank Wisner are very different personalities. They studied together as young men, I think in Casablanca, in the late '50s or early '60s. They were Arabic language students together. They're good friends, but they are very, very different personalities. I said that I thought Frank has made it his business to know just about everybody of any consequence in this relationship over the last five years. He was constantly on the move and there was no more prominent public face of the United States in Cairo or anywhere in Egypt than Frank Wisner. When Frank was getting ready to leave, he was making his farewell call on President Mubarak. Oddly enough the meeting took place not at the president's normal offices, but at the headquarters offices of the party, of the NDP, which of course he was also the head of. It was not far from the embassy. Frank was on his way to Manila as ambassador and Mubarak who really liked Frank said, "Frank, why are you leaving?" They had developed an extraordinary relationship over a five year period. Mubarak said, "Why are you leaving us? Why are you going to the Philippines? Don't you know that they eat dogs in the Philippines?" It was that kind of a wonderful farewell call.

When we finished, Frank decided that we weren't going to drive back to the embassy office. We were going to walk. It was maybe half a mile through one of the most busy, congested, dense parts of the city, including Tahir Square. Tahir Square is one of the main open areas in the city and is always teeming with buses and taxis and things being sold on the street and people and donkeys and camels and all kinds of stuff. It took us maybe an hour and a half to walk back to the embassy because every 15 or 20 feet somebody on the street, in one case a taxi cab driver, stopped to ask Frank why he was leaving. This is 1991, late summer 1991. Just think of it from a security perspective. Can you imagine an American ambassador today even taking a walk like that? But more than that, can you imagine in a place like Cairo people coming up to him on the street. They knew who he was, they recognized his face, they felt they had a personal relationship with him, and they were sad that he was leaving. These were not people who sat with him and talked of policy over a cup of coffee. These were people who just swelled up to him. It took us an hour and a half to make that walk. I cannot imagine that sort of thing happening. I can't imagine it actually happening anywhere in the world today with an American ambassador who has been at post any length of time. How sad that you can't imagine that happening.

Bob Pelletreau followed him and ran the embassy his way as ambassadors do, also very effectively, but very differently and through a different period. I then left in 1993 to go to Jordan. Cairo was really my first overseas experience at a policy level that was that important and that intense, and it altered my view of dealings with Washington.

Q: Going back to a couple of things. What were you getting from your military people about the performance of the Egyptian military and maybe some of the other Arab militaries that were part of the coalition?

EGAN: Well, I think there has always been a very high level of respect among our professional military for the Egyptian air force. In part I'm sure because we have provided so much equipment to the air force and so much sophisticated training and because Mubarak himself was an air force pilot. I think there was always a kind of special feeling about the Egyptian air force. In terms of the senior levels of the ground forces there was a lot of respect for the integrity and the professional confidence of the general staff, certainly for whoever was the chief of staff of the army or the chairman of the joint staff at the time. These were not only serious competent professional military men, but they were also people who potentially had political futures. Omar Soliman having been a senior army officer and head of Egyptian intelligence, there was a period in which people could think of this guy as a possible successor to Mubarak himself. These were major players in the political life of Egypt as well. The further down you went in the structure of any of those services, the more difficult it became to have as much confidence. The most important thing was the presence of these units. Not so much what they did, but simply the fact that they were there or that their states provided the rear guard or logistic support that made other things possible closer to the front lines.

There was a wonderful story circulating in Cairo during the war about Syrians and the Syrian role in the coalition. The president of Syria.

Q: Assad.

EGAN: Assad, is said to have turned to his minister of defense after getting a message from Secretary Baker, he turned to his minister of defense and told him to put together and dispatch to Saudi Arabia a division to be part of the coalition effort to push Saddam Hussein out of Iraq. The minister saluted him and went off. A couple of days later Assad asked if the division had left yet. The minister said not quite yet. Assad said he wanted it to move immediately. The minister saluted but Assad saw him two days later and the division still has not gone. Assad got quite irritated and asked what the problem was. The minister said he hadn't been able to reach agreement with the Saudis about who was going to pay for the deployment of this Syrian ground division and he didn't want to dispatch the division to the Arabian Peninsula until he had an agreement. Assad got furious. He looked at his minister and said, "Minister, you don't understand. I want that division in Saudi Arabia within 24 hours and we won't bring it back until we've agreed whose going to pay."

We relied very heavily on the Egyptians for support to the air war, support to refueling aircraft in that war and to the movement of our heavy equipment around the Arabian Peninsula. There are elements of that campaign that would not have been as successful had it not been for the Egyptian contribution. So, its really important in a public relations kind of a way and in the Egyptian case it was also real and important as a practical matter.

Q: What was the reaction at the end of the war, I mean, right now we're up to our necks in Iraq, somewhat as a consequence for not having so-called finished off the Gulf War by not doing the full thing then. What was the reaction at the time when really the decision was going to be made, do we take a couple more days and wipe out some of the elite troops or do we just declare Kuwait liberated and end the war?

EGAN: I really think this is a fake issue. I don't believe that question was asked at the time. I don't believe that issue ever arose at that time. When Baker created that 29 or 30 nation coalition, the idea was sold to those states that participated on the basis of very straightforward objective and that was getting Iraqi forces out of Kuwait and then securing the Kuwaiti border against further incursions by Iraqi military units. It was, in my view, it was on that basis, it was certainly on that basis that Egypt became a part of that coalition and I believe it was on that basis that every other partner in that coalition agreed to participate. If the question had arisen the way you just phrased it, and if there had been some decision on our part to press on to Baghdad to, as a lot of people today like to say, finish the job, the coalition would have disappeared in a shot in my view, and we, possibly with the British, but certainly not with the French, would have been standing there in the southern Iraqi desert all alone. The credibility that the U.S. role and the role of the coalition played is what made it possible to hold the peace conference in Madrid and its what made it possible for the United States to play the role it played in the Israeli Palestinian conflict and the peace process more broadly up through in my view the late 1990s. I would say until 1998 or 1999. But there is no doubt in my mind that if we had ever gone, regardless of what people in Washington might have been thinking at the time, if we had actually gone to any of our partners in that coalition and said, okay, we got them out of Kuwait, but we're not really finished, we need to press on to Baghdad and "finish this job," that coalition would have vanished and we would not have been able to draw on the success of that war and the success of that coalition to make it possible to do what happened in Madrid and then for seven or eight

years later. So, I really think it's a fake issue.

Q: Okay. So, now what the Madrid conference. What was this designed to do and how did it work out?

EGAN: I was not part of the discussions in Washington on that initiative, but there was a feeling in the administration and certainly on the part of Jim Baker that the lack of progress in resolving the Israeli Palestinian dispute was a serious issue of concern to us. It made a region of the world that was important to us vulnerable and volatile. There hadn't been very much going on in the peace process prior to the Gulf war. The cooperation developed with the Arab states of the region in prosecuting that war, the credibility of our policy and actions leading that coalition, the fact that the Palestinians and Saddam had grossly miscalculated the international reaction to the Iraqi invasion of Kuwait, the fact that the Israelis knew that we had taken steps that were important to their long term security interests, and that we had kept them out of the conflict itself to the point of not responding to scud strikes that fell in Israel, gave us a level of credibility and influence in the region that had not been the case before and if not put to some good use might not last forever. Fundamental to all this was a belief that that administration held, that we had a national security interest, a practical reason and a moral obligation to do what we could to resolve the Israeli Palestinian conflict and more broadly the Israeli Arab conflict; and they acted on that basis. Jim Baker himself is very tough and persuasive. He was a Secretary of State who spoke authoritatively for the President. That has not always been the case, but it was with Jim Baker. The concept of getting not only the Arab states, but also, a Palestinian delegation as part of the Jordanian delegation to address the difficulty that the Shamir government in Israel had sitting down across the table directly with the PLO was I think a stroke of genius. And the Jordanians were eager to be helpful because they were as concerned as they were about the nature of their own relationship with us given the fact that they had stood on the sidelines during the Gulf War. You can talk about the reasons for that at length, but from the Washington perspective it was one of these very simple equations, you're not with us, so you're against us. The Jordanians had a lot of reasons to want to be helpful, in part because of their own tortured relationship with the PLO. So, all of those factors I think were orchestrated very skillfully by President Bush and Secretary of State Baker. That conference was a success in and of itself, but it was also the basis for much of what followed. I mean if you hadn't had Madrid, I don't believe Oslo would have taken place and if you hadn't of had Oslo, I don't believe the Israeli-Jordanian treaty of the fall of 1994 would have ever been concluded. For a brief period between 1994 and 1998 there was real hope and real expectations that good things could happen among Israelis, Palestinians and Jordanians. Madrid was a critical event and it capitalized on a degree of credibility and influence that the United States had in the region at that time and that we have now lost.

Q: Absolutely.

EGAN: Pat Kennedy was the sort of organizational majordomo of the Madrid conference. Margaret Tutwiler and another close aide to Baker were the wizards that we all reported to and from whom we took our direction on the shape of the table, the venue, who was going to sit where, who was going to speak first, and all of that kind of stuff. We were all based in the Palacio Hotel downtown. The bilateral and multilateral tracks agreed to in Madrid produced

things like the Middle East North Africa Economic Summit process which started in Casablanca and was held once in Amman in 1995. All of those things produced benefits and none of them would have been possible had it not been for the inspiration on which the Madrid conference was based. It was a really good time to be an American diplomat in the Middle East, a really good time.

Q: Today.

EGAN: It's not.

Q: It's not. What about, I mean just to cover a couple of things we didn't talk about, what about Abu Halima?

EGAN: We got him despite some of the fussiness from colleagues in Washington. The FBI sent a plane to Cairo International Airport and we parked it in the shadows on the military side of the airport, Abu Halima was taken into custody by the Egyptians in Alexandria, taken to the airport very late at night, and surrendered to the custody of a federal agent standing on the bottom step of a little gangway in this small jet aircraft. About 10 hours later he was in a federal courthouse downtown in Manhattan.

Q: This brings up a question though, what were our readings of the fundamentalists, the Islamists in Egypt at that time?

EGAN: It was becoming a concern. This was before the killings in Assiut, the attacks on tourists. This was before at least one attempt on Mubarak's life. There was a lot of concern about the presence and the activities of young men who had been recruited to fight with the mujahideen in Afghanistan against the Russians who had received a good bit of lethal training and weapons who were now unemployed, but with those skills back on the street and very vulnerable to recruitment by the Muslim brothers, and Islamic Jihad. We were especially worried about them in the Sudan. We didn't yet have a particularly high level of anxiety about them in Egypt. The Mubarak regime had been fairly successful and ruthless in either coopting or locking them up since Sadat's assassination. There were concerns in Egypt as men associated either with the Brotherhood, which started in Egypt in the late '20s, or Islamic Jihad began to run for and win office in trade unions and professional associations. To my mind this was something we had not seen as a particular factor in Egyptian domestic political life before. The professional associations of doctors, dentists, lawyers, and such and the trade union associations were appealing legal organizations and institutions with an established role in Egyptian society. They were viewed in many cases as vehicles by which those with those sympathies could gain a broader and more legitimate reputation and role in Egyptian domestic political life. That was just beginning when I left Cairo in 1993.

The security situation and the nature of that threat to Mubarak's government increased steadily from about '93 to '94. At one point during our time in Egypt we had actually cruised from Aswan to Cairo. It took two weeks. It was a wonderful experience and we saw things in the desert that you almost cannot get to by vehicle. You can't do that anymore. You can cruise back and forth between Aswan and Luxor, but the cruise boats no longer run the full navigable length

of the Nile.

The political section in the embassy for most of that period was led by Ryan Crocker who is now ambassador to Pakistan and later by Stan Escudero who had been General Schwarzkopf pol/ad before coming to Cairo.

Q: Stan?

EGAN: Stan Escudero. He went from Cairo I think to be our first ambassador in Tajikistan. He's an Arabic speaker and I think he also spoke Farsi. We had two really superb political counselors at post. Despite the size of the embassy and despite the sort of top heavy nature of the relationship, meaning so much of it was done at such a high level, they developed contacts and were able to do reporting on fundamentalist issues, human rights issues, opposition party politics in general that I think was probably unprecedented. One of the finest reporters in that whole section was Ron Schlicher who eventually was our Consul General in Jerusalem. He was certainly one of the most productive and most skillful reporting officer in the section and built a career as one of the Service's most talented Arabists.

The first 12 months, the issue was the war. The next six months the issue was the peace process. From my perspective, it wasn't until perhaps the spring or summer of 1992 that the more routine aspects of reporting and analysis really came back to the forefront of the embassy's work. The resurgence of the fundamentalist threat in Cairo increased rapidly after that period. The security situation deteriorated and I expect those working at that embassy today have an experience of life in Egypt that is totally different than ours only slightly over 10 years ago.

Q: Was there concern anywhere in our operation there about the essential non-democratic regime that had always been in Egypt?

EGAN: Yes, but it was of secondary importance. The fact that Egypt was not a democracy was of less importance than Egyptian support in the Gulf War and on other issues that we felt were key to our own national and strategic interests in the region. I don't ever remember a conversation by anybody with Mubarak about democracy building. I watched a lot of people from Washington including the President sit with him but not to discuss democratic reforms.

The President was in Kuwait on Thanksgiving Day of 1990. CNN had just begun in Egypt and for a while it was free. You could get it for a couple of hours a day on broadcast television, not cable, there was no cable

Q: It was the greatest show. Everybody watched CNN all over the world.

EGAN: I remember sitting in Cairo watching the President having Thanksgiving at a long trestle table with American troops in Kuwait and looking at my watch and turning to my wife and saying I've got to go to the airport because the President's arriving in two hours. It gave a sense of, I don't know, immediacy that was unprecedented in my foreign service experience. I mean when I served in South Africa, you had to book a call to the United States a week ahead. At one point in his visit he came to the embassy and every embassy employee, American and Egyptian

and every American family member was invited to come to the embassy courtyard to meet the President. That would probably not happen today. There must have been 3,000 people in that courtyard. The President stood up there obviously unprompted, thanked the ambassador for what had been a very successful visit, thanked all the people that had made this visit possible and then said, "But I know from my time in Beijing that the person who really makes these visits work is the deputy chief of mission." Of course I was delighted. But as I was saying, democratic reform was not an important item on the bilateral agenda.

Q: I know and that's why I'm hitting this thing just to set up sort of benchmarks for this. I mean its something that comes up back here in Washington from time to time by commentators and all.

EGAN: You know, Stu, my first tour was in South Africa. I was not in the embassy in Pretoria. I was in a small but very busy consulate general in Durban. I was there in the early '70s. Apartheid was still the order of the day and I spent a lot of time dealing with English speaking opposition politics and politicians and a lot of time dealing with the black student movement and people like Steve Biko and Barney Pityana. I said at the outset that I was not sitting in country team meetings in the embassy in Pretoria and I saw the ambassador maybe once every three or four months. Despite our own civil rights history and the issue of race relations in the United States, I don't remember a lot of thumping on the table in South Africa in 1972 and 1973 on issues of democratization and opening up the apartheid system or dismantling the apartheid system. We used to talk about it as the U.S. view, but it was certainly not a very aggressive stance and it was not something that I recall us making a regular issue of with the political leadership in that country. Jim Baker, a black Foreign Service Officer, the first black Foreign Service Officer we ever assigned to South Africa arrived while we were there. That was a statement that we made very intentionally. Of course the South African reaction to that was that Jim lived in a bubble. There was never any possibility of anything unpleasant happening to Jim Baker during his tour in South Africa. Every butcher shop, every gas station in the country I suspect had a photograph of Jim Baker and the instruction was if this guy comes in to your restaurant or your butcher shop or your gas station, treat him with friendship and respect. It was a very difficult assignment for Jim because it was hard for him to get outside of that and interact with the majority of South Africans. Between 1970 and 1990, I didn't serve in Portugal during Salazar, democratic reform just was not a front and center issue.

Q: What was your impression of our AID program in Egypt because this is the huge, I mean I guess it was the biggest one we had and you really can't call it an AID project in Israel.

EGAN: It's a check writing procedure in Israel.

Q: Yes.

EGAN: The AID program, the non-military assistance relationship with the Egyptians was unique, not just because of its size, but because it was a program in which the first thing that was established was the dollar level and the work was to figure out how to use that funding productively. In most cases you have to fight for just about every penny in your AID budget. This was very much, this was driven from the top down.

Q: The level of funding was essentially established by a relationship to Israel, wasn't it?

EGAN: That's right.

Q: And then.

EGAN: The proportion was set at the time of the Camp David Agreements in 1978. When I got to Cairo in 1990, the AID program was dominated by projects. I mean we had all kinds of projects. We were rebuilding the sewer system in Cairo and in Alexandria. They were at the time I believe the largest bilateral assistance programs of any country in the world. I mean these projects involved billions of dollars over decades. We were trying to help them create a financial market. We were building health clinics to improve the infant mortality rate and to reduce the number of children that died of dehydration as a result of dysentery. We were involved in some project in almost every aspect of Egyptian domestic life and it was because the account was so dominated by projects, all of which were very labor intensive, that the AID staff itself was so large. There were I think about 125 U.S. AID officers in that mission. The mission was physically outside the embassy, which I think is almost always a bad idea. Of course the AID director in Cairo was always one of the most senior career AID officials. Buster Brown was the AID director when I got there.

We wanted to reduce the size of the AID mission and we wanted to shift the account from one dominated by labor intensive projects to an account that included more cash transfers as incentives for specific types of economic financial and other structural reform. Frank and I developed a rough formula whereby every few hundred million dollars that we shifted from the project side of the ledger to cash transfer would produce a proportional reduction in the USAID staff. We began to reduce the USAID staff in 1991. I have no idea whether that has continued, but the theory was that if we were really after was a level of economic and structural reform to encourage more open markets, more opportunities for U.S. business and trade, a more transparent and equitable economic system that the long term benefits of that would surpass the long term benefits of, for example, rebuilding a school in a small village in upper Egypt. It was slightly controversial. The AID director, I'm sure, saw it as an infringement of his authorities. It has always been important for ambassadors in Cairo to be strong and dominant personalities. Otherwise the heavily funded AID mission would just as likely go off on its own. That was not true under Frank Wisner, it was not true under Bob Pelletreau, but it takes a very strong ambassador to hold the AID mission and the office of military cooperation together. Managing those interagency relationships was a big part of the DCM's job as well.

It reminds me of something back in 1975 after the fall of Saigon. Graham Martin, our last ambassador to Vietnam, returned to Washington and went into Walter Reed suffering from exhaustion. This was during the Pike and the Church committee hearings on intelligence. They wanted to talk to Martin about his time as ambassador to Rome during the Italian elections in 1972. The administration didn't particularly want him to testify so they kept him under wraps at Walter Reed for months. But finally they couldn't avoid it any longer and he was scheduled to testify before the Pike committee. I was in the Secretary's office at the time and I played a small role in organizing his appearance. Graham Martin came to me and said he wanted somebody from the Department to be there with him and would I come. I wasn't sure what the Secretary's

reaction to that would be or what Larry Eagleburger's reaction to it would be, but Larry Eagleburger told me to go ahead. Bill Colby, the DCI, was also testifying. Colby had told the Committee about the disagreements between the station chief in Rome and Ambassador Martin. So, when Martin was sworn and began to respond to questions, Otis Pike said to him he thought the problem was a classic example of interagency rivalry. Graham Martin looked at him and said he didn't understand what the Chairman meant. Graham Martin was a very patrician Virginian. Graham Martin then said that he had been in the diplomatic service 30 years and had held half a dozen ambassadorial postings. Never in his career, he said, had he considered himself a representative of a Department or agency of the United States government. Rather he said he had always represented the President. Otis Pike was slackjawed. The questioning went off in a different direction and Graham Martin made the point he intended to make. That's an extreme example of what I mean. Ambassadors in places like Cairo need to be seen as above the interagency bickering. Without that attitude, and the ability to make good on it, an Embassy like Cairo, because of its size, because of the level of Washington interest, and because of the money involved, can easily fragment and disintegrate under the watch of a lesser person.

Q: Did you find yourself in a position of being a monitor or an overseer to make sure AID didn't get off the range?

EGAN: Well, it was something that the ambassador and I did together. The advantage I had was that there was never any daylight between the ambassador and myself once an issue had been decided. I think people knew that I would argue whatever I thought the right position was as aggressively with him as anybody else on that embassy staff, but that once a decision was made then that was the way we went. I would argue positions often on behalf of other senior members of the country team including on occasion the AID rep and the OMC chief if I thought they were right. Once the direction had been determined and those decisions were always taken in a very open and transparent way, Frank worked that way. The country team was 25 or 27 people and we met everyday, and people were in and out of his office all day long. He was never remote. He's just had these incredible interpersonal skills that he was all over the place and he was all over town. My relationship, for example with the AID director or the OMC chief, had to be my own. It had to be more than simply a derivative relationship from the ambassador's own. It had to be one of my own and it had to be distinguishable from their relationship with him which led to a situation in which when they had problems with something he wanted to do or intended to do or thought we should do, or they had a problem with the way he was dealing with a particular issue, they would often come to me and say, I've got a real problem with this and my folks in Washington have a real problem with this. If I thought what they were saying had merit and needed to be considered then I would move it forward for them or I would encourage them or we would move it forward together. My view has always been that regardless of the size of the embassy a DCM has got to be somebody who other agency heads view as an asset and not as an obstacle. If you do that successfully, then you in fact assume an enormous amount of authority with those other agency heads. You become useful to them. If your relationship to them is an honest one and if you will help them work an issue with the ambassador if it's got merit and really is something that deserves his attention, then your authority is credible. By the same token, if they are off base, you've got to have the credibility to say to the general or to the AID director, this is ridiculous, don't be silly, of course we're not going to do that. But to say no and to have that no stick so that the next day you don't find that the guy has gone to your boss and said, oh,

Egan, just wouldn't let me in the door on this one. You've got to work on those relationships on the job. It doesn't come with the title.

Q: Last thing on.

EGAN: So, yes is the short answer to your question. I needed to know what was going on throughout the mission on a day to day basis more so than the ambassador, more so than any ambassador probably could in a mission that size.

Q: How did Israel factor in to what you all were doing at that time?

EGAN: The first Israeli ambassador to Egypt was there when I was there. He also then later became the Israeli ambassador to Jordan when I was in Amman. It was a very awkward and unnatural relationship. His access was severely limited. One of the things that is so different about the Egyptian-Israeli peace treaty as opposed to the Jordanian peace treaty is that the Egyptian-Israeli treaty and the Camp David agreements were in many respects a blueprint for a disengagement and a cessation of hostilities. The parties were moved apart and lines were drawn and a staged withdrawal from the Sinai was laid out and the monitoring mechanisms to enforce those agreements was established in the Multilateral Force.

Q: Sinai peace.

EGAN: Exactly. The agreement was basically designed to pull two antagonists apart. The Jordanian-Israeli agreement had an aspect of that in that for the first time there was an internationally agreed border drawn between Jordan and Israel from the southern tip of the Dead Sea to the Gulf of Aqaba. North of that it had always been the Jordan River, but south of that there was a British demarcation line, but it never had been internationally recognized. So there was an element of disengagement in the sense that a border was clearly defined. Most of the Jordanian-Israeli treaty dealt with scientific and educational exchanges, trade, security cooperation, how they were going to do things together, not how they were going to stand apart. It's a fundamental difference in my mind between the two agreements. The result of that was that whereas the Israeli ambassador in Amman was there to implement cooperative elements of a relationship. The Israeli ambassador in Cairo didn't have that role because he was basically the product of a military disengagement. Shimon Shamir was the ambassador. He's not a professional diplomat. He's an academic. He's published widely on Egypt and is a real Egyptian expert and is a wonderful person. He had a very tough time and was a bit isolated; lots of the members of the diplomat corps were hesitant to engage very much with him.

Q: Is there anything else we talk about before we?

EGAN: No.

Q: Okay. If you think of anything, when we start our next session, we can do it.

Q: Where did you go from Cairo?

EGAN: I was ready to leave Cairo the summer of 1993 and Ed Djerejian, who was assistant secretary at the time, put my name forward as the next ambassador to Kuwait. It went so far that I was even asked to select a DCM and a public affairs officer for Kuwait. But then because of other moves among American ambassadors in the region, I was also asked about going to Jordan. When I left Cairo, what I knew was that I was either going to be nominated as the next ambassador to Kuwait or the next ambassador to Jordan. I got back to the States in the summer of 1993 not knowing and I didn't know until September or October.

EDMUND JAMES HULL
Deputy Chief of Mission
Cairo (1993-1996)

Ambassador Hull was born in Iowa and raised in Illinois. He was educated at Princeton and Oxford Universities. After service in the Peace Corps, Mr. Hull joined the Foreign Service in 1974 and had postings in Amman, Beirut, Jerusalem, Tunis and Cairo as well as serving as Ambassador to Yemen from 2001 to 2004. In Washington, the Ambassador served on the National Security Council and as Advisor to the Secretary of State on Counterterrorism. He was interviewed by Charles Stuart Kennedy in 2005

Q: You were in Egypt from when to when?

HULL: This was '93 to '96.

Q: What would you say was the situation in Egypt, not American related but situations in Egypt in '93 when you got there?

Hall: The situation was very tenuous. There was a wave of terrorism ongoing from the Islamic Jihad and the "Gamaat Islamiya", (the Islamic Grouping). Tourists were being targeted and Egyptian officials, including the prime minister were being targeted. In The New York Times, I recall, Chris Hedges was writing stories that ran on the front page comparing Egypt at that time with Iran in the last days of the Shah. In effect, he was predicting an Islamic revolution in Egypt.

We had a big embassy, the biggest in the world. We had a lot of exposure. We were greatly challenged to safeguard everyone. In that, we had full cooperation from the Egyptian security services and intelligence services. Still, I recall being tasked by the Department to have meetings at which we would lay out tripwires for drawdown of the embassy so much was the concern that we were in a pre-revolutionary stage.

Q: When you got there, what was the feeling?

HULL: The embassy differed from the readings from people such as Chris Hedges. We saw a very serious problem. We saw a threat to the regime. We didn't disagree about that. But we also saw the regime having great strengths; Mubarak's leadership itself, the long-standing deference that Egyptian leaders had received since the days of the Pharaoh, the personal and family

interests in stability. We didn't see a regime in its last days. With the Shah, you had wavering leadership. The Shah himself was ill, uncertain, unable to make decisions. In Iran, you had fractures in the security services, the military disintegrating and refusing to carry out their duties. You had the population alienated, the middle class in Tehran turning against the regime. You didn't see those same elements in Egypt, and I recall one particular riot that occurred. It was a civil disturbance in this case. It was directed by Islamic extremists against nightclubs on Pyramid Street. In this instance, the owners of the establishments and their friends came out and defended their property. Also, the Islamic extremists overplayed their hand.

For example, an assassination attempt resulted in the death of a 12-year-old Egyptian girl who was obviously an innocent bystander. The government did a good job of highlighting that fact, and the popular reaction against the terrorist groups was very strong. They started to lose more and more mass support in their campaign. I was personally convinced the tide had turned one day when there was an assassination attempt against an Egyptian general as he heading up to the citadel. It failed and the people who made the attempt then tried to flee into Cairo's "city of the dead," the cemeteries which are populated and provide housing for a good part of the Cairo population. As they tried to flee, they were captured not by the security forces but by Egyptian citizens and handed over to the security forces. It seemed to me at that stage when the government had the active support and involvement of the Egyptian population, they had won the battle against the terrorists. That proved to be the case and by the end of my time there, by '96, the situation was much stabilized.

Q: You're in charge of running this embassy. How did you find it?

HULL: Cairo was magnificent as an embassy. It had wonderful traditions, the best and the brightest of the Foreign Service had served there. Herman Eilts in the days of Henry Kissinger and then Roy Atherton after he had been assistant secretary, Nick Veliotis also after he had been assistant secretary, Frank Wisner who was a legend among the Egyptians and then Bob Pelletreau who was one of the best and brightest. It had attracted at the country-team level and in the lower ranks too, the best the Foreign Service had or the best AID had or the best that the CIA had and so I was in a very privileged position of directing a team of people who knew what they were doing and who needed very little motivation or guidance to do outstanding jobs. My real challenge was to coordinate these various activities so that they would be more than the sum of their parts, and that we would accomplish the mission objectives.

Q: How did you find for example the huge AID operation? If you've got legions of accountants sometimes I wonder whether if some of the AID operation was more paying for Americans to be there than they accomplished. What was your feeling on that?

HULL: Well, you're right. The AID operation I had known in the early '80s when I was there in the political section and then again in the mid-'90s as Deputy Chief of Mission. There had traditionally been, what shall I say, guerrilla warfare between State and AID. The AID bureaucrats, who were extremely canny, had fought very hard to retain their independence and to concentrate their efforts on sustainable development with as little political intervention as possible. Under Pelletreau, the AID director was Hank Bassford. Uncharacteristically, Ambassador Pelletreau and Hank Bassford had a very good relationship and there was a lot of

professional respect on both sides. I think Bassford was wise enough to trim his sails to meet political requirements, and Bob Pelletreau was wise enough not to challenge AID's professional judgment and so it operated fairly smoothly during my tenure as DCM.

There were, however, challenges. I will give you an example. After the Oslo Accords, the implementing agreements were negotiated to a very significant extent in Cairo because Mubarak was an acceptable host for both the Israelis and the Palestinians. There would be quick, short-term requirements to help get this Palestinian authority up and operating. For example, Arafat needed vehicles for his security forces if he was going to take effective control of security in the West Bank and Gaza, and we were talking about a need over a matter of months, if not weeks. And, of course, AID's idea of a timeline was a year or two. So we undertook the challenge of somehow coming up with an AID program that could get vehicles on the ground in the Palestinian territories in a matter of weeks and we actually managed to do it by extraordinary effort. I thought this was a shining hour for AID, and I'm sure it was appreciated by people like Warren Christopher. One day when I was addressing an AID retreat, and I referred to this agreement as one of their great successes over the past year. Afterwards, good friends from AID came up to me and informed me that I was referring to what many in AID had seen as one of their great defeats! So I had a reality check on the different cultures at play. Of course, we've seen that cultural battle being fought out in the years since then with AID losing more and more ground to the extent that now it's a shadow of its former self and the Secretary of State has, with the support of Congress, achieved more and more control over AID's functioning.

Q: How did you view dealing with turning or keeping Egypt as a functioning or sort of a quasi democracy but as a functioning unit? One thinks of the population getting bigger and bigger and it looks like a disaster.

HULL: Egypt always looks like a disaster, but that should not be cause for complacency. We determined early on that we needed an extraordinary effort for reform, and we got White House support for it in the form of a Gore-Mubarak initiative. Vice President Gore decided he was going to concentrate on a select number of important countries. Egypt was included, Russia was included and commissions were set up that paired the head of government or head of state with the vice president. Vice President Gore came to Cairo regularly over this period and worked very purposefully, very directly on the question of economic reform. I think that, although progress is in Egypt is rarely dramatic, he did lay the foundation for Egyptian economic reform that has slowly transpired since that period. I think it a credit to him that he sustained that effort.

Q: Does there seem to be any real future for Egypt? You know, huge population settled around sort of one city, not much out there in the hinterlands. What's going to sustain it?

HULL: One of the most important things we did early on in our AID program was to concentrate on agricultural reform. I'm talking here not only about the '90s, but in the '80s as well. We had for that reform Agricultural Minister Yusuf Wali, who was an extremely competent and extremely powerful minister. He was not only minister of agriculture, he was also secretary general of the ruling party, and by undertaking agricultural reform that got the Egyptian "fellahin" reasonable prices for their products and by helping introduce agricultural technology (hothouses, irrigation, new crops), USAID succeeded in establishing a solid economic basis for

the Egyptian farmer. That's what has historically carried Egypt through hard times.

You still have the problem of 12 or 15 million people living in Cairo and a lesser number, 5 million in Alexandria. There, the AID effort has made appreciable progress in things like infrastructure. In 1982 when I went Cairo for of first-time, we would have regular power brownouts, we would have regular interruptions of the water supply, and we would have regular flooding of the streets with sewage. The situation was draconian. It would take half an hour to make a phone call. The level from which we started was so low, the quality of life of the urban Egyptian was so low that in a way we had nowhere to go but up. AID infrastructure projects addressed one after another these vital sectors so that a modern telephone system was installed, the water system was made functional, the sewage system was made functional. The Egyptian urban dweller could see in his daily life measurable improvements. The kind of improvements we haven't been able to do say in Baghdad since the recent war we were able to accomplish in Cairo. That and the Egyptians' traditional patience and low expectations I think have allowed us to get through the past decades. I think in terms of economic reform, the Egyptians have "religion," and we will see continued to see economic reform, much slower than we expect, much lower than we would counsel on an Egyptian timetable, but nevertheless, in the right direction. I think political reform is a different question.

Q: Did you see the impact of computer technology, communications technology? Was that hitting Egypt at all?

HULL: Yes. The Egyptians certainly took to cell phones in a big way and that was fortunately left in the private sector and parceled out among several companies, including Egyptian companies that now function throughout the Middle East. They took to that very quickly and similarly with computers. The Egyptians are not techno-phobic.

Q: What about the universities and the intellectual and student class? How did we view them at the time?

HULL: You had essentially two kinds of universities. You had the American University in Cairo which was an elite establishment to which the Egyptian ruling class would try to send its children and which we supported to a significant extent. And then you had public Egyptian universities – the University of Cairo, 'Ain Shams – which were mega universities with 50,000 plus students, classes routinely of hundreds, and very ill equipped. We would have dealings with them, but it was very hard to get your hands around those establishments. Those universities would often serve as the hotbeds of protest, but there was a clearly understood rule that as long as the protests stayed on the campus, the security forces would not intervene. If the students went off the campus and tried to bring their protest to the rest of the city, then the security forces would very quickly and very firmly crack down. You also had, of course, Al Azhar University – one of the oldest religious universities in the world dating from the 10th century. We maintained contact with Al Azhar, and it was producing some of the most significant personalities in the Middle East because their graduates would go on throughout the Arab world to very significant positions in Islam.

Q: Was there an Egyptian Islam at the time? I mean, you had other Islams.

Hall: Well, Al Azhar was the oldest institute of higher education in the Islamic world, the most prestigious and its thinking was very highly revered, and it was to a significant extent shaping the next generation of Islamic thinkers. In addition, the Muslim Brotherhood was functioning just beneath the surface and sprouting like-minded groups in places like Palestine, where Hamas traces its origin back to the Egyptian Muslim Brotherhood. And similarly throughout the Arab world, Islamic fundamentalist groups were deriving their charters. Their thinking and their programs are from the Egyptian source.

Q: Did your political officers seem to be able to get out? I mean, was it an easy place to work?

HULL: They were out, they had very good Arabic, they had great access. I think our political section, people like Alan Misenheimer, did very fine work.

Q: Was there any major incident or anything that happened that you can think of at that time?

HULL: I'd like to talk a little bit about reinventing government as it applies to the embassy because we did take that hallmark of the Clinton administration seriously, and we did put it into effect in Embassy Cairo in a rather successful way.

Q: We're talking about in Cairo and you're managing this huge operation and we have the Clinton Administration coming along with, what is it called? Reinventing government, or something?

HULL: That's right.

Q: How does it play out on your side?

HULL: Well, we discussed earlier the problems in Embassy Cairo and the ambassador really gaining meaningful control over the programs. You had a \$1.3 billion in security assistance, you had about \$900 million in economic assistance coming in every year, huge AID establishments, huge military establishments and to have effective policy oversight of these resources was a daunting challenge and particularly with the AID side. There had traditionally been antagonism between the AID mission and the State component of Embassy Cairo as AID preferred to function autonomously. The reinventing government thrust of the Clinton administration, which was particularly championed by Vice President Gore, provided us an opportunity to reinvent the embassy, and we did it in a sustained, purposeful way. Our main vehicle was to create "cluster groups" which were interagency which would focus on an element of importance in our bilateral relationship. For example, the economic assistance element or the security assistance element, and then we would bring into that group anyone in the embassy who had something to say or something to do on the issue. So the economic assistance group had the front office, it had AID people; it had people from our economic section and other parts of the embassy, the agricultural representative, for example. By doing that, we were able to get the ambassador's oversight and policy guidance injected into the planning process rather effectively, and we were able to create interagency working groups that had real meaning in Embassy Cairo, especially given the magnitude of the resources that were flowing in. We also took advantage of this exercise to bring

into dynamic roles the junior officers and younger people in the embassy because we needed people on these groups to do drafting and to get out of the embassy and into the field to see what is going on. So I think for a lot of the younger officers, it gave them an opportunity to see resources and how they were being applied, to have something to say about those questions and it was a very salutary experience across-the-board.

Q: Was there any feeling having much time gone by but our huge AID program to Egypt was from the outside it looked like frankly, a payoff, a bribe as it kept the Egyptians from mucking around in Israel. And then we're paying Israel. It sounds like were paying two powers that should be able to keep from going at each other and here we are sitting back in the United States paying both of them to be peaceful.

HULL: Historically, of course, the aid levels for both Egypt and Israel came out of the Camp David Summit that also led to the peace treaty between the two countries. Both the Israelis and the Egyptians were very successful at taking a one-time deal and to turn it into an entitlement. To do this, they needed more than to bamboozle the Executive Branch. They needed to get Congress to buy into this, and both Tel Aviv and Cairo spent a lot of time, a lot of trouble working with the congressional angle. President Mubarak was always available for CODELS and they succeeded in turning those programs into entitlements which I think in retrospect was really not a very good deal for U.S. interests because over time, we didn't have nearly as much leverage as we should have had with that amount of resources going in, and the Egyptians didn't do nearly as much reform as they should have done with that amount of resources.

Q: What was the view from Cairo on Israel, our embassy in Israel, what the Israelis were doing during this time?

HULL: Well, during this period it was a rather creative period in the peace process because we had the Oslo process having produced principles for an agreement between the Israelis and the Palestinians. So throughout this period of time, we had quite a few shuttle visits by Secretary of State Christopher and his peace team, and they were working with the Israelis and the Palestinians to flesh out the principles of agreement from Oslo. The Egyptians were playing a useful role in that whole process. So we have something to show in a tangible way for the involvement of ourselves and the Egyptians. The tragedy was that the agreements reached did not get implemented, and the United States did not adopt an aggressive role in holding the parties accountable for what they had agreed to in that process and so when Netanyahu's Likud government succeeded the Labor governments, the Israelis effectively reneged on many of their requirements. For his part, Yasser Arafat dragged his heels and reneged on his requirements. There was no hard-nosed umpire to call the fouls and to keep the parties honest.

Q: How would you say relations were between the two parties, the American Embassy Cairo and the American Embassy Tel Aviv?

HULL: I would say they were respectful, and we had an overarching common interest which was the peace process. We had people who had served in both embassies so there was not the sense of rivalry that characterized, for example, relations between Embassy Tel Aviv and Consulate General Jerusalem when I was there in the late 1970s.

Q: How did our Consulate General in Alexandria fit in?

HULL: Well, we had a dynamic consul general in Alexandria. We had Frances Cook up there for much of the time, and she was a natural phenomenon, unending energy, extremely outgoing, kind of a perfect person to have at an important outpost like that. I think the Egyptians in Alexandria felt very flattered by her efforts and her attentions.

Q: Was Alexandria a different animal than Cairo?

HULL: Alexandria is quite different than Cairo. It is more Mediterranean, its history, its geographic position, more cosmopolitan. Cairo, founded by the conquering Arab armies, always looked more towards the east while Alexandria always looks more north and into the Mediterranean world.

Q: How were relations when you were there with Saudi Arabia?

HULL: I would say they were correct. I think the Egyptians and Saudis appreciated that they were leading forces in the moderate Arab camp. There was tangible support from Saudis to Egypt. We tried to encourage in the security relationship – more exchanges and participation for example by Saudi in exercises like Bright Star, but we found the Saudis rather timid about their military capabilities and nervous about showing up at any situation where they could possibly get embarrassed. I think Mubarak played Arab politics very well. At that stage, the Arab League had returned to Egypt so he had that instrument and Esmat Abdul Majid, a former Egyptian foreign minister, as the secretary-general of the Arab League, and so Mubarak was adept in managing his relationship with the Arab world as a whole.

Q: Was Qaddafi a factor at all at this point or not?

HULL: Qaddafi was not a factor. He was in his box more or less. Qaddafi was much more a factor during the '80s when I was there, and Qaddafi was still rambunctious. If you recall that was the era of the La Belle Disco bombing in Berlin.

Q: Our retaliatory bombing?

HULL: Our retaliatory bombing and more. I don't know if we covered it or not. We also had a secret mission from the NSC, Admiral Poindexter. Well, maybe I'll say a few words about that. In the aftermath of the La Belle Disco bombing and our attack on Tripoli, the NSC decided a more radical solution was needed. Admiral Poindexter, the advisor to the president for national security, jetted out to Cairo to propose to President Mubarak that the Egyptians invade Libya and depose Qaddafi. At the time, Nick Veliotis was the ambassador, and we had a very strong station as well as a strong embassy. This proposal was heard by Mubarak and then Defense Minister Abu Ghazala, and their response was noncommittal which was taken as a yes by the National Security Council which wanted to go full steam ahead. The staff levels in the embassy were very dubious. Part of the plan involved major movements of the Egyptian military into the Libyan desert, and as Pol-Mil officer and with my colleagues in the office of military cooperation, we

had a very good sense of what the Egyptians were capable of, and we felt strongly that that magnitude of a move was not within the Egyptian capabilities. Not to mention the fact that the preponderance of Egyptians military forces were arrayed toward Israel, who the Egyptians considered to be their real threat. We doubted that the military invasion was a practical plan, and our colleagues in the station doubted that the proposed work with Libyan dissidents was practical because they knew these characters. They knew they lacked reliability, they lacked support inside Libya and they would be weak reeds for our strategy.

We briefed this to the ambassador, Ambassador Veliotis, who, I'm sure, had his own misgivings about the whole enterprise. One result of this was that I got sent back to Washington to brief the military facts of life to the State Department, and I remember heading back with a map in my briefcase showing the situation in the western desert of Egypt. I arrived on NEA's doorstep, and NEA did not really know what to do with me. Arnie Raphael, who was principal deputy assistant secretary at the time, had me cool my heels on the Egyptian Desk for a couple of days and then finally he set up an appointment for me with the Undersecretary for Political Affairs. I went along with Arnie Raphael and went up and went through my briefing of the practical problems involved in this proposed NSC scheme. I got sent back to the Middle East and the project somehow got strangled in the cradle because we did not get in bed with the Libyan dissidents and the Egyptians did not get bogged down in the Libyan Desert.

Q: Well, then you are back to DCM in Cairo? Qaddafi was not considered a major problem?

HULL: No, Qaddafi was growing older and calmer, and Qaddafi had his own Islamic fundamentalist threat as, of course, did Egypt in spades. So you are in a situation where the times had changed, and the threats to the regimes had changed.

Q: How about the Sudan?

HULL: Sudan was an area in which the Egyptians were always interested because of the Nile. They were very nervous about any activity upriver in Sudan or even in East Africa. They had hoped to increase the flow of water to the Nile by sponsoring the Jonglei Canal, which would have conserved Nile waters, but that was going nowhere because of the war in the south. There was a "Khartoum Spring," so to speak, during this period when Al Mahdi returned to Khartoum, and you had a brief period of Sudanese democracy. You had elections, party activity and some Sudanese experts were very optimistic that Sudanese democracy would take hold and flourish. In the end, that didn't happen, and the military eventually stepped back into power which I don't think bothered the Egyptians very much. They were primarily concerned that the Islamic leader Hassan al Turabi and his ilk not gain or not sustain ascendancy in Khartoum. If it meant that the military was in charge, well, that was something the Egyptians were very comfortable with.

Q: At the time you were there Egyptian elections continued to be somewhat problematic.

HULL: Formalistic.

Q: Was there a feeling that if they really had open elections the fundamentalists might win?

HULL: No. We in the embassy believed that if there were open elections, Mubarak would win very comfortably. The Egyptian people had seen a great deal of progress under Mubarak; their quality of life had improved, for some much more than others but even across the board. The Egyptian peoples were trained and had a long tradition of deference to the Pharaoh or whoever had a similar position so ironically, the Egyptians could well have afforded at that stage freer elections.

Q: Was there a growing gap between those who had influence and those who didn't have?

HULL: Yes, clearly there was. The "Infitah" or economic opening up as they call it had benefited some disproportionately and you had the phenomena not only of the latest Mercedes driving through the slums of Cairo, but you had huge, extravagant weddings being given by the leading families when many Egyptians were living on beans and bread. So yes, the disparity in the incomes was becoming not only apparent, but painful.

Q: Was this something you could do anything about or?

HULL: Well, certainly our agricultural policy and our assistance to the farmers and the liberalization of agricultural markets benefited the rural population very considerably, and a lot of it, as we discussed previously, a lot of the stability of Egypt rested on that success. Our efforts to improve the infrastructure of Cairo, the sewage, the water, that also had broad, very broad benefits. We did not have particular programs to redistribute wealth or redistribute land or any of those measures. Those weren't really in keeping with the American political or economic thinking.

Q: Any major visits? I'm sure you had a lot of Congress people.

HULL: Well, we had Vice President Gore often because of the Mubarak-Gore Commission and that was good because Al Gore was a serious man who followed the issues, and by getting repeated visits and follow-up, we were able to sustain attention on key issues effectively. We also got President Clinton for one visit. It was a lightning affair. He was scheduled to go out to the Middle East, to Israel and elsewhere and shoehorned in a stop in Egypt. I still recall he got in at something like 4 in the morning. The Meeting with Mubarak was about nine, which was as early as you can conceivably have with an Arab leader, and he was on his way by early afternoon. His one, very considerable disappointment was that he could never get to the pyramids. His lodgings, and Mubarak insisted putting him up in a palace, his lodgings were on the east side of town and the meetings were on the east side of town. The pyramids are way outside Cairo on the western side of town and the transit across Cairo was just too daunting given the schedule we had. So as compensation after President Clinton's plane took off, Air Force One circled the pyramids and gave him a view from the air at least.

Q: You wanted to talk about the signing ceremony?

HULL: I wanted to mention the efforts of Secretary of State Christopher and his peace process team throughout this period which brought results in the form of agreements to implement the Oslo principles. These were difficult negotiations and extended negotiations and not concluded

until there were all-night discussions involving the Americans, the Egyptians, the Palestinians and the Israelis and even when you had an agreement ready for signature you're never quite sure of it. On the day that the agreement was meant to be signed, we all showed up at the venue as did the world's media only to have the representative of the various governments including Secretary Christopher on the stage and then stopped dead in their tracks because Chairman Arafat refused to sign the final document. Even his own negotiating team had a hard time understanding what Chairman Arafat's objections were. They presumably had something to do with a map in the annex, but it was a very painful and a very long wait by the principles in front of the world media while efforts were made and finally successful and Chairman Arafat signed with a proviso. This was the last time to my knowledge that Mubarak offered to make Cairo a venue for a signing ceremony involving Chairman Arafat.

Q: You left there when?

HULL: I left there in 1996.

FRANK PAVICH
Supervisory Special Projects Officer, USAID
Cairo (1993-1996)

Frank Pavich was born in 1933 in San Francisco. After graduating the University of Southern California in 1955, Pavich joined the U.S. Marine Corps and later the Marines. In 1966, he embarked on what would become a 30-year career with the U.S. Agency for International Development (USAID), serving in Vietnam, Ethiopia, Yemen, Somalia, Ghana, Pakistan and Egypt. This interview was conducted on March 26th, 1998.

Q: What was the situation in Egypt at that time?

PAVICH: At that time politically Egypt was beginning to play a slightly stronger role in the Middle East peace process. There was a lot of local opposition to the government, particularly from what people called the Islamic fundamentalist groups, terrorists in some instances. I remember the first day I walked into the office I heard an explosion. Someone had set off a bomb right around the corner which killed a number of people in an attempt to assassinate the leaders from the Ministry of Interior. The target might have been the minister of interior, himself. That was my introduction to Egyptian politics. Mubarak was the president. He was a strong man running a pretty tight ship, I guess, in order to keep all actors under control.

The atmosphere was pretty friendly. You would sense sometimes a certain amount of hostility towards foreigners, depending on where you were in town. This would be offset in other places with friendliness and camaraderie. Egyptians are great cosmopolitan people, at least the ones you meet in Cairo. They were very easy to work with and well qualified.

Q: What was the mission like at that time?

PAVICH: Huge. I guess it was the biggest AID mission. It was like working in Washington with lots of bureaucracy.

Q: Who was the director when you were there?

PAVICH: Hank Bassford was the director when I got there. He was a very effective director. He was a hard nosed kind of man. He was demanding of his staff and he could be as demanding with counterparts in the government. In a program like that where there is so much money involved, it is not a question of if they are going to get it, but when. It is a tough game to play. I think Bassford was probably one of the more effective mission directors they ever had out there in doing that.

Q: What was your situation?

PAVICH: My title was Supervisory Special Projects Officer. I was in the office of institutional development support, which was the democracy office. They called it institutional development support because you could not say democracy in Egypt at that time.

Q: This was not a rural development program?

PAVICH: This was different. Back in Pakistan I realized that the old rural development was rapidly becoming a thing of the past and there were other things developing that were also interesting and have parallels to everything I had been doing up till then and democracy was one of them. It was new and AID was trying to establish itself in this field. They had begun to do some things in Pakistan which I tried to get involved in but the mission wasn't really pushing it too hard. However, it became clear to me that this was an area that had growth potential and required certain kinds of skills that I had many of: for example, working with local government, working with local groups, understanding the basics and principles of government from my Public Administration background. The only area I didn't have experience in at that point was the political side, the development of political parties and things along that line. But, I thought that there was an opportunity in Egypt to do that, to become a democracy officer.

Q: Was this a big program?

PAVICH: Yes. Money-wise it was probably the biggest democracy program in the world. We had a number of activities that we were just starting. We had an activity that was to work with the Ministry of Justice to develop the justice system and improve the judicial process, to reduce the caseload burden and upgrade the skills of judges and advocates and make it work and user friendly. We had a lawyer, Ana Klenike, on our staff who was in charge of that.

I was responsible for two activities. One was with the Parliament and the other was Civil Society. We had a project that had been designed that needed to be tightened up, more focused. That was when I got there and worked with a young woman, Connie Peraskova, to develop a request for proposals, an RFP, for bids on this project. In order to do that we had to go back into the project and define more clearly what the mission wanted. That was one part of it.

The other part was negotiating with the Parliament, the Speaker of the House and the two Secretaries General. They have the Parliament and the Shura assembly which was a religious group that worked with the Parliament. I was to work with the Secretaries General and basically educate them about the USAID programs and procedures. They had never, never had any kind of bilateral program. This was high profile for the Egyptian politicians, they didn't want to have very many meetings with USAID and we couldn't use the term democracy. It was a very delicate process. In the beginning, and I think all through out, it is still going on now, to tell them what AID does and assure them this wouldn't infringe in any way on their sovereignty, and to help them in whatever way we could to persuade the political powers that this was okay to do. There were lots of stops and starts, advances and retreats. The Egyptian press was taking pot shots at the project saying the Americans were coming in to run the Parliament, etc.

Q: Did you get something done?

PAVICH: We did eventually.

Q: What were you doing?

PAVICH: Eventually we got a project together to work with the staff of the Parliament, to upgrade their skills, to work with the Library of Parliament to develop the capacity of the library to provide the kinds of information decision-makers needed. To introduce information technologies by establishing a network of computers so people in the Parliament could connect with the web and get information that way. We brought people in from the outside to discuss Parliamentary procedures, political processes and a number of things like that. We had the U.S. Library of our Congress involved in a project. We had Syracuse University involved in the program in bringing in people and training them. We brought people to the United States and other places to see how Parliaments work and our Congress. In fact, I just talked to someone who works on the project just the other day and they had been doing well, but now they have another political problem so things have sort of stopped for a while.

Q: Political in the sense of sensitivity towards American organizations?

PAVICH: Too much American influence. People don't understand that we are not into politics but involved in the organizational development. But, how can you not be involved in politics?

Q: Hard to separate them.

PAVICH: Yes, in that case. We made some good relationships. I think everybody in the Parliament we worked with was converted. But, by now a lot of them have moved on and there is a new bunch in there. They are the ones who are asking the questions.

Q: You were working with the elected people rather than the staff?

PAVICH: We weren't working directly with the elected members, but they were working with the staff. It could be they have a new Speaker of the House, that could be the problem, but I'm

not sure.

The other activity that we were working with was developing civil society and that was a little more difficult. AID had in Egypt its largest rural development program in the world. It was the Local Development Project (LDII). It was a huge billion dollar project that went on for ten years. I mentioned Jim Dalton to you. He sat with President Sadat. President Sadat said that he wanted to see the AID handshake in every village in Egypt and in that way they will be local development projects. So, it was everywhere and did everything. Everywhere you went you saw the USAID logo. It was very effective. It was criticized widely because there was such a large amount of money that was being given out and AID didn't have enough control over the money, so accountability came into question at times. I guess there were other economists who could argue that you could use that money in different ways and have a greater effect. But, let's face it, it was a political thing.

Q: What was the money used for specifically?

PAVICH: Infrastructure, education, health, everything.

Q: Did this go through the line ministries in the government?

PAVICH: Yes. It was much the same as what we were doing in Vietnam with the establishment of the budget at the local level: a sort of supplemental budget that the local governments had access to for virtually anything. At the same time it trained local governments in upgrading their skills and developing their capacity to administer the program. Once it got rolling it was doing everything.

Q: Was it countrywide?

PAVICH: Yes.

Q: All parts?

PAVICH: Yes, all parts. It was very effective. When I got there Hank Bassford went to the government and told them LDII was over. I remember he said the government has to be more transparent in the operations, that is, include the citizens in the planning, and privatize state owned enterprises, a number of other conditions. That was the environment when I got there.

The Egyptians were all expecting another LDII to come along. But the mission's maximum amount of money USAID was going to provide for new activities was probably be around \$20 million as opposed to a couple hundred or more. So that was the atmosphere. But, before that we had to define our terms, or what are we talking about. Civil Society, what is that? Participation, what is that? So, I kind of applied one of the methodologies that we developed in Pakistan, the workshop approach. We got a group of missionary people and Egyptians together and had a one day workshop to define "participation." You got a whole range of definitions from the Americans and from the Egyptians. There was a lot of misunderstanding. Now, this was in 1992. This is pre- cursor to Brian Atwood's "Twelve Principles of Participation." These things were

new, sort of cutting edge stuff.

I don't think we really came up with one clear definition of what is participation. I think what we did do, at least within the mission at that point, was to establish a common understanding that participation means a range of things and here is the range. We wrote this up and talked about it a lot. Participation was definitely going to be the main theme of our Civil Society approach.

Q: Was there a core concept of participation?

PAVICH: The concept was participation and development bringing local groups and government together to work on development problems. That was the theme.

Then I was fortunate enough to get a license to travel, to go out and see what was going on in Egypt. I took about four months going out to the different provinces and interviewing people in the government and the NGO sector to see how things were running and if the government people had any idea of the change that had just been made, that the big local development program was finished and there wouldn't be another one but something new would be coming along. That was a very difficult job because nobody believed it or wanted to believe it. We would spend an hour talking about the change and where AID thought their programs should be going and they would return to the question, "When do we get our next LDII block grant?"

Q: You mean that program just came to an end and stopped construction?

PAVICH: It didn't leave things hanging but gradually phased out.

Our problem then was convincing the government at the central level and the local level that there was no more LDII and we needed to come up with something different.

Q: How did the government react to these new ideas? Did they consider them fairly revolutionary or not?

PAVICH: Well, of the major problems there were two. One, they just didn't want to accept the fact that there was no more LDII and two, they were not willing to think of anything that smacked of decentralization. What I didn't mention was that we wanted to develop an activity that would be based at the local level not based at the central ministry level.

Q: Was it a fairly central government situation?

PAVICH: Very, even with the provincial level. Egypt is a big country but the people are packed into a small area. Going back and forth between places is quick, by plane or train. The central government pretty much runs it all. I thought by putting people at the local level who could work government and with local organizations to facilitate...

Q: There were local organizations?

PAVICH: There weren't a lot of engineers but there were organizations. You really don't need

an organization, you just need a group of people who want to do something. I have to say that in the three years I was in Egypt the first year was spent mainly on getting the project up and running in the Parliament. We had to send out bids, select a contractor and mobilize them on the ground. While we were doing that we were negotiating a little bit with the government about what they can and can't do, defining an activity that everybody in the mission would agree to as an alternative to the old program and visiting the local government. That pretty much took up the first year.

The second year was trying to get something on the Civil Society side negotiated with the government, pulling together a critical mass of Egyptian and international NGOs to start thinking about the process. What we wanted to do was to pull them all into a process of defining the project. By this time "re-engineering" had just started and the 12 Principles of Participation had been promulgated by USAID/W. So, this fell in line with all that. We would take all of the stakeholders, bring them together and design a project. If we could get the government to agree to let something like this happen, we could do it.

Q: Who in the government were you relating to about this sort of thing?

PAVICH: Mostly Minister of the Interior and a Deputy Minister of Interior.

Q: Were they really interested in this kind of change?

PAVICH: This is what happened as I see it. In this year and a half that we spent telling the government that there was not going to be another LDII (Local Development 2), they would have to think in different terms. During that period they came up with a scheme of their own, called Shrouk. Shrouk was the Egyptian version of LDII. Just about the time I thought I had negotiated the other (new) concept with the people I was dealing with in the Ministry of Interior, a new person came on the scene who was in charge of the Shourk project. That was the end of Frank Pavich.

Q: Because you weren't supporting it?

PAVICH: It wasn't that I wasn't supporting it, I was supporting mission policy and they didn't want it. This person had the backing of the Minister and Mubarak and that was it.

Q: Did they get an LDII project?

PAVICH: No. As far as I know, even today, I have talked to people recently and it is still up in the air.

Q: So, that project never got off the ground?

PAVICH: No. I think we were able to salvage some things working with the NGOs but I don't think we ever got the government to come around.

Q: You were working against a very tough odds, I guess.

PAVICH: Yes. The Agency let me down a little bit in this one because they jumped off one band wagon and jumped on another band wagon and sort of left me in the dust. This was a disappointment.

Q: What did they shift to?

PAVICH: Well, it wasn't so much the whole mission, it was more or less individuals that saw an opportunity in something the government really wanted that we could go with it and forget the other thing. That upset me because I thought the other thing was based on every principle that AID was trying to develop at that point. I can appreciate that if the government doesn't want it you have to go with what they do want. The Egyptian man with whom I was negotiating with sensed immediately what the situation was and just said that there was no need for Mr. Pavich to come to the next meeting. And that was it. I was pretty much out of it. What disappointed me was that my people in the mission didn't say, "You can't do that. He is the person in charge of this project. If we decide to change our strategy, it is the mission's strategy, not his strategy." But it didn't work out that way.

Q: You would have identified with it?

PAVICH: I would have identified with it. It was a good lesson. I don't feel too bad about it.

Q: But the mission was bought into it at that point?

PAVICH: Yes, they bought into Shrouk. We tried not to have it that way. I continued to work on it but I just couldn't go down and be up front with the Ministry.

Q: But it was the same program?

PAVICH: Well, it wasn't the program that the mission had approved and I was trying to negotiate.

Q: But the local development program was the same as the one you were...

PAVICH: It had a lot of the same elements in it. It required a lot of money.

Q: To local government and things of that sort?

PAVICH: Yes. I think the problem was that it was a situation where it was questionable how much control you would have over the money. Who was going to get what? There would have been a lot of jobs involved and a lot of sticky points that had to be ironed out. I don't know if they ever ironed them out. They keep trying.

Q: In fact the mission caved into the government that wanted to stay pretty much with the old concept.

PAVICH: I think the mission people did what they felt they needed to do in order to continue negotiating with the government.

Q: There wasn't much latitude for holding out.

PAVICH: Right. This is Egypt and the program is going to be there no matter what. It is not a matter of "if" you get the money it is a matter of "when."

Q: So, you were caught up in this political situation?

PAVICH: Yes. I was a little bit disappointed but continued to work on the stuff with the NGOs, which I understand is continuing.

Q: Building up their capacity?

PAVICH: Trying to sit down and have them participate in the design of a project to build up their capacity.

Q: Were there a lot of NGOs in Egypt?

PAVICH: There were a lot of associations and a number of NGOs and a program like this would probably develop a lot more. But, they had problems on the government side because the government wanted to be very much in control of the NGO movement.

Q: Anything else on your Egyptian experience?

PAVICH: Yes. The other thing about my experience in Egypt was that this was when the re-engineering concept was introduced and it was tested around the AID world and in Egypt. It was an opportunity to learn a lot about what they were calling re-engineering. In a big mission like Egypt where you have 30 large organizations within a big organization, re-engineering was a formidable challenge.

Q: What did re-engineering mean to you?

PAVICH: The essence of re-engineering is giving authority to the level of management that is responsible for doing the work and eliminating a lot of the people in between. That is what it was supposed to do. But, I don't think it accomplished that.

Q: What were some of the characteristics?

PAVICH: We had two processes. The traditionally AID project process where you did your feasibility study, and project paper, etc. and then they were developing at that time the Results Framework and all of the things that go along with that. At one point we had two systems: instead of making it easier and less bureaucratic, made it twice as hard because you had to work it both ways.

Q: What was the results system?

PAVICH: The main difference was you no longer had a project. You had an activity which had a number of results that were supporting an over-arching objective. For example, if you want to strengthen civil society, then one of your results might be better organized NGOs working with community groups. There is a tangible result there and you are given money to achieve that result. Once your strategy is approved, you got the money and then you develop your program—your “Result Package,” as they call it now— to achieve those results.

Q: You didn't have to do all of the analysis that you do for project papers?

PAVICH: Yes and no. You can't just do things. You need analysis. It sort of duplicates the old process and calls it something different. But, the thing that was promising about it was that it tended to eliminate a lot of other decision makers in the process, so theoretically it would be more responsive and quicker. I don't think the Agency has gotten there yet. I just came back from a mission where they are working with it. Some things have improved, but it has a ways to go. Not everybody understands it.

End of reader