

ESTONIA

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WILLIAM C. TRIMBLE Vice Consul Tallinn (1936-1938)

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

Q: Going on then, you went to Estonia to Tallinn. And I have you there from 1936 to '38. And that was a legation, wasn't it?

TRIMBLE: Yes.

Q: And when you first arrived, Arthur Bliss Lane was--

TRIMBLE: He was the minister to the three Baltic States.

Q: Where did he hang out?

TRIMBLE: He was in Riga. They are Lithuania, Latvia and Estonia, each different racially. Estonia was completely different from anything I'd experienced before. In Spain, I'd gotten there

just after King Alfonso had been forced out in the 1931 Revolution, there was certain unrest, general strikes and so forth. My name was on a "lista de Purgatorio" as number 130 or so but only that of 17 or 18 had been shot by the time I left.

Q: Why was this?

TRIMBLE: A foreigner.

Q: A foreigner?

TRIMBLE: The far left and anarchists resented foreigners, and also we had executed Sacco and Vanzetti. But this is going back to my first post.

Q: But that's all right.

TRIMBLE: But returning to Estonia, it was a small country, still is, of course. It had been under the Swedes, Danes, again Swedes and then Russians, and got its independence in 1918 after fighting the Russians, and the Russians--the Soviet government was then starting--agreed to its independence in perpetuity.

There was no great wealth. There was no poverty. They were very patriotic and hard-working people, and they were doing very well for themselves. They had no oil, petroleum in that sense, so they developed shale oil. The shale oil production was sufficient for their oil requirements, gasoline and so forth. And they developed their lumbering industry to sell pit props to England for the coal mines and pulp wood for paper. They even developed a candy industry to sell candy to the Woolworth stores, cheap candy. They did everything with what they had. They had their sugar beets, of course, and they were doing very well.

And it wasn't a dictatorship. It was a strong central government, because immediately after independence, about five, six, seven or eight different parties started and were fighting among themselves. So they established an autocratic form of government. But they were doing very well, and I enjoyed assignment there.

Q: What were you doing?

TRIMBLE: We were only two FSOs plus an American clerk and a couple of local employees. The Chargé d'affaires was rather ineffectual. He was retired afterwards. There was political reporting, efforts to reach a trade agreement as part of our country's trade agreements program.

By then we were allowed to do some political reporting--for isolationism was less than it had been in the '20s--economic reporting on resources, the country and its finances and so forth and also, of course, shipping, passports, protection and so on. And I liked the people. I had learned Spanish, of course. There I studied German and also drew on my French since you used French in the diplomatic corps.

But, anyhow, the Department apparently liked my work sufficiently so that in 1938, early in '38, it decided to pick some guinea pigs for advanced training in economics and finance. I think four of us were chosen. I was transferred back to this country for a year of study in those subjects at graduate school level. Meanwhile my wife, with our two children, would live here.

RICHARD E. JOHNSON
Polish and Baltic States Desk Officer
Washington, DC (1956-1957)

Richard E. Johnson was born and raised in Winnetka, Illinois. He attended Harvard University, graduated in 1942, and joined the Navy. He came to work for the State Department in 1947 as a civil servant until 1951. He later joined the Foreign Service and served in Hong Kong, Canada, Poland, Yugoslavia, Bulgaria, Brazil, and Yugoslavia and Brazil again as Deputy Chief of Mission. Mr. Johnson was interviewed by Charles Stuart Kennedy on January 30, 1991.

JOHNSON: I was Polish desk officer. I was also the Baltic States desk officer. And, in that latter role, I had the job of writing every year the White House statement about the independence of the Baltic States. And I can still remember some of those phrases about how we stood totally behind the Baltic States in their desire eventually to throw off the Soviet yoke. And how we refuse to recognize the incorporation of these states into the Soviet Union. And how we'd never abandon the flame of freedom in the Baltic States.

Q: Well, this, I assume, was really very pro forma, wasn't it? I mean, the Baltic States--Latvia, Lithuania, and Estonia-- always had their legations that were here, but did you really do much with them?

JOHNSON: No, the main things I remember were, we went of course to all of their functions, and I became good friends with the ambassadors. Lithuania and Latvia had embassies (or legations) in Washington. Estonia had a Consulate in New York. Of course, they still do. No, there wasn't a great deal of activity. Preparing this independence statement, this was something of course that the Baltic-Americans really looked forward to and they made a lot of it.

Another thing, though, that the Baltic States desk officer did was to approve the budgets of these three posts. And that was because the posts existed, and for all I know still do today, on funds that the U.S. Treasury had seized at the outbreak of World War II, or at least when the Nazis invaded the Baltic States, because we didn't want the Germans to get their hands on them. So we were still husbanding those resources, and in order for the Baltic diplomats in Washington and New York to get their hands on this money, they had to come to me, kind of hat in hand, with the budget. And I would go over it with them, because I knew the Treasury Department would go over it very carefully afterwards. And I'd say things to this...it seems ridiculous in retrospect...to this dignified old Latvian ambassador, "Arnolds, why are you asking for six brooms? What do you do with all these brooms? Didn't you get brooms last year?"

And he'd say, "Forget about it, I'll buy the brooms myself."

So I'd strike brooms off. And finally this budget, as vetted by us, would go to the Treasury Department and after even closer examination of it they would release the funds.

EDWARD HURWITZ
Baltic States Desk Officer
Washington, DC (1972-1974)

Edward Hurwitz was born in New York in 1931. He received his bachelor's degree from Cornell University in 1952. After serving in the US Army from 1953-1955 he entered the Foreign Service in 1956. During his career he had positions in Moscow, Seoul, Washington D.C., Afghanistan, Leningrad, and an Ambassadorship to Kyrgyzstan. Ambassador Hurwitz was interviewed by Charles Stuart Kennedy in August 1996

HURWITZ: I should add, I almost forgot, I was at the same time the desk officer for the Baltic states, Latvia, Lithuania, Estonia. This was largely a matter of ceremonial duties having to go to national day events and read and write the Secretary's greetings to each of these countries. Of course they were all variations on the same theme of keep up the good work and we will continue not to recognize the forcible incorporation of your country into the Soviet Union. It was an interesting portfolio.

Q: Let's take this in pieces. First let's talk about the Baltic states. What was the attitude of the Department about these states?

HURWITZ: The attitude of the Department was very clear, we did not recognize their incorporation into the USSR. They maintained and were fully accredited their diplomatic missions here. We did have, in retrospect, a strange stricture there and that is that at that point we would not recognize as a Baltic diplomat anybody who had not been in the Baltic diplomatic services at the time of the Soviet takeover in 1940, so we were dealing with some pretty old guys. Now, that later changed. The Lithuanian chargé, I remember, on one occasion, he was well into his '80s, he struggled up to my office and eased himself into the chair beside my desk and then said he had forgotten why he had come to my office. But, it was largely a public relations operation.

Q: You having been in the Soviet Union, what did you feel? Did you sort of think this wasn't really serious stuff, this was for domestic politics, or did you think there was a glimmer that something might happen soon?

HURWITZ: Oh, no, it was clearly for domestic politics. On the other hand having been in both Lithuania and Estonia, in my first tour in Moscow, and having seen Tallinn, Estonia, the atmosphere was as if in an occupied city, there was no question but that these three countries were not meant to be part of the Soviet Union. Whether they would have in the long run fit into

the Russian empire without communism, that is another story. It was definitely a takeover. I never foresaw the breakup of the Soviet Union, but I did feel that there was a lot of rationale for not recognizing this.

Q: Did you in that position monitor anything we said about the Soviet Union to make sure we didn't say something which might absentmindedly acknowledge the occupation?

HURWITZ: Oh yes. I monitored, the EE desk monitored as well as the local communities. There were a lot of Baltic-Americans, so to speak and they were very careful about this sort of thing. Now, occasionally we had to justify things that we were doing in the Baltic states. I must say this is a rather interesting and a very sophisticated kind of a question. We claimed, the US government claimed, that we were running these USIA programs in the Baltic states. This was not because of any recognition of their domination by the Soviet Union, but simply as a means of keeping in touch. It is an old story. If you completely isolate or refuse to recognize something then the people who are in that particular entity, in this case the Baltics, don't have the opportunity to get in touch with Americans to make their case known on the ground. So, we monitored closely any contacts we had, but we were frequently put in the position of defending some of those contacts to the Baltic community here that wanted none whatsoever. Eventually they came around and saw that contacts, while the Soviets might want to trumpet these contacts as an indication that we recognized their sovereignty, nevertheless they performed a real service in keeping alive contacts and giving some hope to people that they weren't simply being just swept under the rug.

Q: Did you have any congress people who were after you on this?

HURWITZ: Yes. I can't recall any specific ones but there were and the reactions of congress were important to us. But, I must underline that as time went on the whole question of...indeed the one big issue which came up at the time was the Helsinki Final Act, which the Soviets....

Q: This is the CSCE?

HURWITZ: Yes. Conference on Security and Cooperation in Europe. I believe this was signed in 1975. Leading up to it the big dichotomy that I remember was on the one hand the Soviets were claiming that this was a recognition of post World War II borders, that they wouldn't be changed by force and that they would in a sense be recognized. And, of course, the Baltic community didn't like that here. On the other hand, it enshrined an agreement signed by the Soviets the concept of free exchange of ideas, press access, etc., the so-called basket three, the third item on the agenda. We went ahead and signed it and I think everybody came to realize, more so than anybody the Soviets, that this was really an important win for the West. All the dissidents in Eastern Europe and the Soviet Union began to cite this as a reason for demanding their rights for their country. The Soviets had agreed that this would be the case--family exchanges, easy access, easy egress. And this did become sort of a legal hook that the dissident movement could really be pegged on.

Q: It is one of the contributing factors to the dissolution of the Soviet Union, when looking back on it. But, even our Secretary of State, Henry Kissinger, was very dubious about that. This was

not his thing. He sort of came into it at the end but almost tried to undercut it, from what I have gathered.

HURWITZ: I am not really aware of that, although it would be in character.

Q: The problem of Estonia, Latvia and Lithuania. Did they start to break away while you were in INR?

HURWITZ: Everything really collapsed just before the Gorbachev coup. They had this meeting outside of Moscow at one of the official dachas where all the representatives signed on to what was essentially the breakup of the Soviet Union. The Baltic states had left before August, 1991.

Q: Were we concerned that there was going to be a coup against Gorbachev at that time or that something was going to happen?

HURWITZ: I personally, and INR and the State Department, too, was basically taking the position that we do not want to be seen as either gloating over what was happening or pushing Gorbachev out or pushing for the break up of the Soviet union at that point. You may recall that instance where Bush went to Kiev and said something to the effect that you don't want to break things up too fast. He was roundly criticized by the press and roundly criticized by the same people today for relying too much on Gorbachev as a leader and somebody who could oversee this breakup in an orderly fashion, which would not destabilize the situation. By the same token today, the government has been taking flak for relying too much on Yeltsin, who at that time was the darling of the more conservative American analysts and politicians. But that has switched. Indeed this is something that I know we had to contend with throughout at that time, that is Bush and Baker being too much in bed with Gorbachev and Shevardnadze. As I say, I think they handled it extremely well and did exactly what had to be done. It didn't help Gorbachev and it wasn't necessarily meant to help Gorbachev individually, but I think he was, at the top level of our government, correctly seen as a steady hand on the tiller. And, with all those weapons out there, the last thing we wanted was the Soviet Union to collapse in chaos. I don't know that it would have done so even if we had tried to push it over the precipice, but those are risks you don't take at the time.

It has not worked out badly when you consider the breakup itself was virtually bloodless. You did have these riots that were put down in Tbilisi in 1989 and in Lithuania in 1990 by Soviet violence, but the actual breakup occurred without bloodshed and indeed in the August coup you had only three people killed nation wide, which is an amazing thing. So, to that extent it worked out. We have now been able to, despite the well known efforts to prop Gorbachev up a bit, get along very well with Yeltsin and with the other republics. You have no chaos except for Chechnya, which is a special case. So, I think it was handled well by both administrations

PHILLIP H. VALDES
Position Unknown
Germany (1976)

Philip H. Valdes was born in New York in 1921. He received both a bachelor's degree in 1942 and a master's degree in 1947, both from Yale University. He was a 2nd lieutenant overseas in the U.S. Army from 1943- 1946. Mr. Valdes entered the Foreign Service in 1947, serving in Chungking, Seoul, Moscow, Frankfurt, Paris, Bangkok, Berlin, and Munich. He was interviewed by William Knight on July 11, 1994.

Q: Did you ever have any intimation of the coming cataclysm or revolution in the Soviet Union? That the system really was under such strain that it might be going to fall apart?

VALDES: No. When I was there, we realized that it was under strain, that their economy had very serious problems, and that they were trying to do too much with too little. They were doing it very inefficiently, but we all thought that they would sort of "muddle along" for quite a while. As I say, I went there for the last time in 1966, except for a month I spent escorting a theater group in 1976. Things hadn't reached that stage [of dissolution] then. In fact, the real "crunch" hadn't occurred because they hadn't really devoted such a great part of their income to armaments, as they did during the last few years under Brezhnev.

As for the geographic breakup of the Soviet Union, I had expected that at some point the Baltic republics [Estonia, Latvia, and Lithuania] would break out. And I think that most of the Russians I knew had accepted the idea that the Baltic States would eventually break out. They didn't feel that the Baltic states were theirs by right. I noticed a lot of nationalism in the Ukraine, but mostly in the Western Ukraine, the parts that had been part of Poland and Czechoslovakia.

Q: Now how did you notice that? What was the evidence?

VALDES: Well, when I traveled to Lvov [western Ukraine], I heard more Ukrainian and less Russian. And [there was] the attitude of factory people and managers I talked to. They just seemed a lot more open and pushing to do more than they were able to do.

Q: They wouldn't say, "We can't stand these awful Russians?"

VALDES: In the Baltic States they did say that. They would ask, "When are you going to get the Russians out of here?" In fact, in the Baltic States, one example of this attitude was the Intourist [Soviet tourist bureau] guide we had. The Intourist guide is assigned to Embassy visitors to keep them out of mischief, essentially, and keep them relatively happy--not seeing things they shouldn't see or doing things they shouldn't do. The guide we had was an Estonian.

The first indication of this came when we were sitting in the dining room in Tallinn, working out our program with him. In the course of this discussion I asked him if you could receive Finnish television programs. He said: "Oh, it's very difficult. You need a complicated antenna. Oh, no, it's really very difficult." I let that pass. Later, when we were out in the street, he pointed up to the top of a building and said, "There's one." I said, "One what?" He said, "An antenna for receiving television programs from Helsinki." I looked more carefully and saw a sort of Rube

Goldberg thing on the roof. And he said, "Look around." I looked around and saw that every house had one of them. He said, "They're our brothers."

On another occasion we went out to the ruins of a church, outside of Tallinn. It had been destroyed a couple of hundred years ago, I guess. When we got there, he explained that it was done by Latvians. This led him into a dissertation on the evils of the Latvians, which ended with his saying, "And in 1917 they fought with the Bolsheviks against us." Which they did. The Latvians had a rifle regiment that fought with the Bolsheviks.

Anyway, nationalism was very open in the Baltic States--although less so elsewhere. In the Caucasus you had the feeling that the Armenians and the Georgians weren't very happy in the Soviet Union. But I also had a feeling that both the Armenians and the Georgians felt that they could "handle" the Soviets well enough, so they didn't really have a problem.

I never went to Central Asia, so I don't...

KEITH C. SMITH
Chargé d'Affaires
Estonia (1994-1995)

Advisor to the Government of Estonia
Washington, DC (1995-1996)

Keith C. Smith was born in California in 1938. While attending Brigham Young University he received his bachelor's degree in 1960 and master's degree in 1962. His career includes positions in Mexico, Venezuela Hungary, Washington D.C., and an ambassadorship to Lithuania. Mr. Smith was interviewed by Charles Stuart Kennedy in February 2004.

SMITH: It was in early July, 1994. Nick Burns who is now the ambassador to NATO was working at the National Security Council at the time, and he was slated to go to Tallinn as ambassador. After I got there, Nick moved over to another job and there was some possibility of me staying on as ambassador. Unfortunately, soon after my arrival in Tallinn my stepson was badly injured in a car accident. I stayed on, but didn't feel that I could leave my wife with a brain damaged son for more than six months. Although it was a horrible time for our family, being in Tallinn was an interesting experience.

Q: This is from?.

SMITH: July '94 to December '94. The embassy in Tallinn was relatively new. Bob Frasure had been our first ambassador to Estonia following the country's liberation from the Soviet Union in 1991. Bob and I became good friends. It was a terrible blow to so many of us to learn of his death later on in Bosnia. I don't know if I had made clear that I was in Tallinn without my

family. Originally, I had hoped that my family could join me. My step-son's accident made this impossible, so I made several trips back to Washington during my six months as chargé and met each time with Bob Frasure, who was a DAS in the European Bureau. But it was an interesting time in Estonian history. The ethnic Estonians and most ethnic Russians were delighted at being independent from the Moscow. A third of the country was ethnic Russians. The transition to independence had been peaceful in Estonia, although not so much in Latvia and Lithuania where Russian troops fired on demonstrators and border guards. It was an impressively peaceful transition when one considers that at least a third of the population of all three countries had either died or been imprisoned by the Soviets. Not one Russian was ever killed as a result of retaliation by the population. Not one. The world has overlooked this remarkable fact.

Anyway, the most important issue on my plate in Tallinn was our attempt to persuade the Russians to withdraw the rest of their troops from the Baltic States. I became heavily involved in the negotiations with the Russian military. Congress had authorized \$50 million as a "buy out" for Russian officers still living in Estonia and Latvia, so that they could buy themselves housing in Russia. It was something that the Russian government was not excited about. They wanted to keep their officers in the Baltic States. Although they didn't like this idea of a pullout, they were being pressured by President Clinton and the Congress to get the troops out. Clinton pressured President Yeltsin very hard in confidential correspondence. There was some pressure from the Europeans, but it was mainly Clinton and the U.S. Congress and their threats to cut off assistance to Russia, that made Yeltsin pull out the approximately 15,000 officers still in Estonia and Latvia.

. It was an interesting experience negotiating with the Russians. One could see that the Russian Government, and particularly the Defense Ministry, would willingly abandon its officers to their own devices. The Russian military High Command and the General Staff of the Russian military were about as corrupt an organization as I had ever seen. Money which had been set aside by the Russian government for building housing in the Leningrad military district and in other places in Russia was siphoned off illegally by high-ranking officers in Moscow. Much of the housing built in Russia for officers from the Baltic region were sold and the money pocketed before the officers from Estonia and Latvia could return. It was quite a depressing experience to see how the Russian military operated.

In the end, the last contingent of officers left Estonia and Latvia on August 30th, 1994. It was quite a day. I remember walking around town and asking Estonians what they thought about it. I thought they'd be delirious. To a person, they said, "they'll be back." At that time, they couldn't even imagine being members of NATO and the EU. Considering their terrible experience at the hand of Moscow, they felt the Russians would find some excuse to come back in

Q: Why would the Russians want to keep troops there? Was it mainly a matter of housekeeping, what do you do with them, or was there a political motive?

SMITH: There were a variety of reasons. The Russians still hadn't come to terms with the fact that the Balts were determined to be totally independent. The Russian Foreign and Defense Ministries didn't want to touch the issue. My meetings in Tallinn were generally with Russian military officers, with the occasional presence of a low ranking diplomat from the Russian

Embassy. The Russian ambassador always had some excuse for not showing up at the meetings. I found myself feeling sorry for the Russian officers. Many of them had wives and children, and they were faced with the coming winter living in tents in Smolensk, rather than the relatively nice apartments that they had in Estonia.

I had been in the Baltic States earlier. I had traveled to Riga and Tallinn in the late fall of 1992 to inaugurate the beginning of our assistance program to the three Baltic countries. Therefore, returning as 18 months later to be chargé in Tallinn was particularly interesting. It was especially interesting to observe the differences between ethnic Russians and ethnic Estonians. Out in public, one could tell the difference just by their body language. The Russians are much more demonstrative; they would walk down the street gesturing with their hands and head, very much like Italians. The Estonians would walk along either in silence or in muted conversation, not moving their hands or heads. During the weekends, the Russians liked to go to the ocean side, whereas the Estonians preferred to visit the forests and small villages with their families. I did not see a lot of resentment between the two ethnic groups. They lived together in the same apartment buildings and Estonians seemed willingly enough to speak Russian with their non-Estonian neighbors. Of course, the Russian Government considered everyone who spoke native Russian to be “theirs,” whether or not they were Ukrainian, Georgian or Belarusian. Moscow frequently used this claim to artificially inflate the number of “Russians” in the Baltic States.

Q: It's a whole different system, but I was in Kyrgyzstan around this time, and all the small shops and the plumbers and the people who kind of did things, were Russian. And the Kyrgyz were the bureaucrats, but it was the Russians who really kept the economy going. I wouldn't think it would be the same thing in Estonia.

SMITH: Not as much in Estonia. Nevertheless, during the Soviet years, the Russians rigged the educational and political system in favor of ethnic Russians, even if they were recent “immigrants” from other parts of the empire. Any Estonian (or Latvian or Lithuanian) who was well educated or a high status before the occupation in 1940 was either sent to Siberia or their children were not allowed to attend universities. There was serious discrimination against them in Estonia and Latvia, although not quite as much in Lithuania. Naturally the top jobs in industry and in the Communist Party apparatus were occupied by Russians. As a result, the farmers in Estonia were almost uniformly ethnic Estonians. In every other walk of life, there had been positive discrimination in favor of the Russian minority. The largest apartments in Tallinn were occupied by Russian Party members or Russian officials of one kind or another. Russian had been the official language in all three Baltic States. Non-Russians had been forced to use it at all public functions, even in post offices.

After independence in 1991, Moscow started an aggressive public relations campaign, complaining about discrimination against the Russian minority. Most of the charges were not true. The discrimination had been the other way for 50 years. Even when I lived there all of the 100+ square meter apartments in Tallinn were occupied by Russians. In spite of the talk out of Moscow, most Russians in the Baltic States feel good about living where they do, rather than in Russia itself. A few older Russians moved back in the first years of independence, but after 1995, the others wouldn't consider moving to Russia. Now many brag about being the first “Euro Russians,” since they're going to be in the European Union on May 1st of 2005. There's a

lot of disinformation coming out of Moscow on this issue. Most Russians in the Baltic States are certainly well aware that they are lucky to live where they do. But Putin has an emotional animosity against the Baltics which goes back many years.

Anyway, I spent a lot of time on minority issues when in Tallinn and the Embassy spent a lot of time reporting on Russian minority questions. We had a short-term American employee who came from another agency. She spoke very good Russian and spent much of her time in contact with the Russian minority trying to assess if they were being discriminated against. There were times when we did go to bat for the ethnic Russians in the few cases where we thought the law could be made more ‘color blind.’ We worked very closely with the other Nordic countries on these issues, particularly the Swedes and the Finns. The Swedes were really terrific, and when it came to the Baltic States I can't say enough good things about what that country did for the Baltic States after 1991. Sweden is still helping out in the region. The Finns were active, but they were generally active in a business sense. They loaned money to the three countries, whereas the Swedes gave them grant money. Perhaps, it was because the Swedish economy was in better shape during that period, but the Finns are by nature a little tighter with their money than the Swedes. It was an interesting experience observing the differences between the Nordic countries.

Q: What was the Estonian political system? Who was at the top at that time?

SMITH: When I arrived in Tallinn, the Homeland Party was running the government. The country was operating under a new, very democratic constitution, one that had been endorsed by the EU and the U.S. At the time, the prime minister was Mart Laar, a grand old man of 32 years old. He later returned for a second stint as prime minister and is still active as a member of the Rigi Kogu (parliament). In 1994, the foreign minister, Juri Luik, was 26. He's now the Estonian Ambassador to Washington. They were young, idealistic and open to new ideas. I often had lunch with the prime minister and developed close relations with the foreign minister. Estonia was unusual, in that unlike most of the former Soviet states, the old party and government officials had been permanently sidelined. Many of the young people, some who had been members of the communist youth organization, but who hated communism, took over the country quickly after 1991. On the whole, they were young, energetic and very western-oriented. This was the case more so in Estonia than in Latvia and Lithuania. It is still that way today. In Estonia these young leaders immediately adopted free market economic ideas borrowed from the U.S. economist, Milton Friedman. They quickly instituted a flat tax and they lifted almost all of the import barriers and taxes. It was one of the most impressive transformations from communism to free-market democracy. During the first few years of independence, Estonia grew faster than the other two Baltic States or any other former communist country in Central Europe.

The Estonians made some mistakes, but they quickly discovered what worked and what did not. This was one reason why it was an interesting period to be in Estonia. I developed a real emotional attachment to the people, particularly when they were still being threatened by Russia. The President and Foreign Minister asked for my advice from time to time regarding Estonia's relations with Moscow. At the top of the list was the negotiation on Russian troop withdrawal. The Russians used a lot of the same pressure tactics with Estonia that I later saw in Lithuania during negotiations with a U. S. energy company. For instance, if negotiations are difficult, Moscow will often demand that the other side replace its principle negotiator. Unfortunately, the

Estonians caved into that demand when they went to Moscow to finalize the troop withdrawal agreement. This is an old Soviet/Russian tactic that too often works, even with West Europeans.

Anyway, we became involved with the Estonia-Russian border negotiations. I made a trip to one of the disputed part of the border. It was being unilaterally demarked by Russian officials, a clear violation of the Helsinki Agreements. Demarking of borders in Europe was supposed to be done by mutual agreement or by a recognized international tribunal. In this instance, Russians demarked the border unilaterally, and they decided which territory was theirs and which territory would be in Estonia. In any case, when I visited the border in Viru Province, in the southeast of the country, I was immediately threatened by Russian soldiers, who pointed their Kalashnikov rifles at me. I tried, but failed to get Washington to support pushing Moscow into agreeing to multilateral negotiations in accordance with the Helsinki Agreements. Nobody in Washington or Brussels wanted to take up this issue with the Russian Government. The Estonians were afraid to raise too much diplomatic fuss without international support. They still feared the Russians too much to tackle the issue alone. So, Moscow got away with unilateral border demarcation and the present borders were established in this fashion.

Shamefully, Western governments, including the U.S. eventually pressured the Estonians and Latvians to support Russian border demands (within a year after I left). Even when the U.S. government pushed the Estonians and Latvians to give into Russia's negotiating position, Moscow would only return with new "requirements." After we received quiet promises from the Russian government that they would sign a border agreement if the Estonians and Latvians gave in regarding Moscow's position, the Kremlin demanded that there be a joint Russian-Estonian (and Russian-Latvian) commission to preview the ethnic relationships in these two countries. Moscow found reason after reason not to say yes to an agreement. To this day, the Estonians and Latvians do not have a ratified border agreement with Russia, nor does any other former Soviet republic except for Lithuania. The Russians have purposely refused to sign border agreements with anybody but Lithuania until now. Lithuania has one because under the Baltic States were being taken into the EU and Moscow needed a corridor across Lithuania so that Russians could easily travel between Kaliningrad and the rest of Russia. But that's the only one border agreement between Russia and a Baltic State. Russia keeps the border situations unclear with most of their neighbors for a variety of political reasons.

Q: In the political system in the Baltic States, were young Russians sort of joining in or were they or were they sitting to one side and waiting.

SMITH: For the first few years, they were not encouraged to participate. They didn't speak Estonian, and to be in the parliament and in the military officer corps one had to speak the language. Many people, particularly older Russian resisted learning Baltic languages. Gradually the young ethnic Russians in Estonia and Latvia have learned the local languages and are moving into responsible positions. One needs to take into account the new Russians and the old Russians in the Baltic States. From the late 1800s, a large group of Russians lived in Estonia and Latvia, many of whom were Jewish intellectuals, but also many Orthodox Christians. Those people usually spoke the Baltic languages. Some of these individual (or their descendants) ran for parliament very early on, and they formed ethnic Russian parties to support minority rights. For the others, it has taken time to learn the language, graduate from universities, and then

assimilate. Often they've done what a lot of minorities in other countries did who felt like they were discriminated against or felt as outsiders. They moved into the business world, where many have been very successful. .

Over time, the focus of Russians shifted from organized crime to legitimate business, where they're often very good. I met some terrific young Russians who were running textile factories and steel fabricating companies in Estonia. They are clever enough to hold their own anywhere. Foreign businessmen used to tell me that some of the young ethnic Russians in the eastern part of Estonia could compete anywhere in the business world. It has taken time, but they have made a lot of progress. There are good reasons why most Russians stayed in the Baltics. They were so much better off than their relatives in Russia. One of the guards at the residence in front of the house I was living in made a point of telling me that he lived better than his relatives in Omsk. He said, "I have a country house here, I have a car, we have meat on the table every day. I'm really well off." Meanwhile, there was a constant drumbeat of charges from Moscow alleging discrimination, even charging ethnic cleansing against the Russian minority.

The Estonians took the criticism in stride. The director of the Estonian national library told me that during the Soviet period she was on the bus going home from work. She overheard two Russian families on the bus talking to each other. The family living in Estonia was bragging to their relatives from Russia about how well-off they were. They mentioned that they had a large apartment, they had a car and they had all of this and that. But they added that one problem remained. After the people from Russia asked what it was, the Russian residing in Estonia said, "Unfortunately there are still Estonians here." The fact that this was said in front of a busload of Estonians just typifies Russian insensitive. It was the kind of remark that Estonians and Latvians heard repeatedly from Russians over the 50 years of occupation. To this day, the Russian government's official position is that the Baltic States voluntarily joined the Soviet Union in 1940, ignoring the forced incorporation into the Soviet Union under the Molotov-Ribbentrop Treaty. This position was reiterated by the Russian government as late as 2004, and it remains Moscow's official position. One of the reasons that the Balts were so anxious to become members of NATO and EU so quickly was the constant drum beat of hostility from Russian. Opinion polls in Russia still show that Estonia and Latvia are along with the U.S., the countries Russians consider to be their primary enemies.

Q: While you were there, the expectation was somehow or another, the Russians haven't let us go.

SMITH: Russians can still not let go. Back in 1993, Moscow signed free trade agreement with the three Baltic States. As soon as the Balts asked that Russian troops be withdrawn, the Kremlin imposed double tariffs on all Baltic products. In 1992 when the issue was first raised about sending home Russian troops, Moscow cut off all of the energy exports to the Baltic States in the hope of forcing the Balts to give in and allow Russian troops to remain. Energy flows have been cut off several times since for political reasons. I was in Riga and Tallinn in the very cold winter of 1992, and it was very uncomfortable in the hotels. The Balts had to reduce indoor temperatures to eight degrees Celsius, so we slept in our clothes at night. That was a typical attempt to squeeze the Balts. Russian policy was instrumental in pushing the Balts closer to the West. It was a very stupid policy by the Kremlin. I've talked to some Russians who recognize

that the policy of hostility is self-defeating, but they were a lonely minority. Russian hostility is driven by hurt pride and latent imperialism. The collapse of the Soviet Union was traumatic for most Russians. They knew that their country was relatively poor and not internationally respected, but being large and powerful gave them something to be proud of. The collapse of the Soviet Union and the resulting chaos in Russia took this away from them.

Q: Were there any Estonians who were still stuck in Siberia or were they all dead?

SMITH: There were some still stuck there. There are still Estonians, Latvians and Lithuanians living in Siberia; most of them too old to make the trip back. I had dinner with a Lithuanian friend of mine a few weeks ago. He had just taken his children to Siberia because that's where he was born. His family was exiled during the czarist period, and he was born in Siberia. He and his family were again sent to Siberia during the Soviet period. He went with his children to the village in Siberia where Lithuanians still live. Those who could, primarily the younger ones, left in the early 1990s. Of course, some had married Russians and did not want to leave. Now, it's becoming harder Russian permission to leave, except for the aged.

Q: What about relations back in the States? I would think that when things opened up an awful lot of Estonians, Latvians and Lithuanians who had come to the United States flocked back. I'd experienced some of these when I was in Germany with the Germans who went to the United States during the Hitler time, really more before the Hitler time when the currency collapsed. And then came back in the early '50s or so and were all set to tell their German cousins how to run things, you know. I would have thought this would have been for someone in your position an awful lot of hyphenated Americans meddling in your work.

SMITH: That is a good point. There were a lot of Baltic immigrants who went back to the three counties with the intention of helping make the transformation to Western-style societies. There were not many Estonian immigrants in the U.S. Most of the former Estonian refugees went to Sweden and Canada. There were only about 50,000 in the U.S. in 1991. Many returned, however, from Sweden, Canada and Australia. There were about 150,000 Latvians in the U.S. and at least an equal amount in Canada. The largest number of Baltic people s in the U.S. had come from Lithuania.

While I was in Estonia, the chief of defense was an Estonian-American, who had been a colonel in the U.S. Army. He had been brought over by President Lennart Meri, who expected the American to revamp the military and be a close collaborator of the President. Unfortunately, the colonel couldn't keep quiet about domestic politics. He repeatedly accused the Estonians of being corrupt. He made life miserable for the president who had befriended him. It was a disaster. I remember President Meri asking me what he should do about the man. The President thought that I could persuade the colonial to stay out of politics. I tried to convince the colonial that he was only damaging his own effectiveness, but his ego was just too much of a problem. Eventually, the president fired him. He then turned on President Meri and ran for president in the next election. He didn't even come close. He was a disaster. I remember going back to Estonia and seeing him in one of the major hotels. He'd sit in the lobby and grab anybody who would come by and try to talk to them about how badly he had been treated. He was a sad case.

I saw a couple of similar cases, although not quite so bad, in Latvia. There were a couple of retired U.S. military guys in the defense ministry of Latvia, including one who was made minister. Neither of them lasted more than six months. Many young Estonians who returned from abroad made substantial contributions and have settled down in the country. Many of Estonia's best diplomats were born abroad of Estonian born parents. Some are among the best I have met. The generation that left in 1945 often had problems adjusting to the changes that had taken place under communism..

Q: It never works. You watch this again and again. It just doesn't work.

SMITH: Sometimes it does. I saw many successful cases of Lithuanian-Americans who made significant contributions to the country. There were fewer in Estonia and Latvia, but even in those two countries I know of examples of success.

Q: How about the Canadians?

SMITH: The president of Latvia today is a Canadian-Latvian and she is very successful. Two very talented Estonian diplomats that I know were born in Canada.

Q: Did the Canadian embassy, because of the number there, play a role?

SMITH: No, they did not play much of a role. The Germans tried to be influential players in the Baltics, but they came across as too arrogant, perhaps unfairly. The Finns tried to be big brother. In any case, I was only chargé for six months before returning to the U.S. for family reasons. I earlier mentioned that my step-son who had been badly injured. He had been in a coma for almost a month and was facing a long and uncertain recovery. After I was back in the U.S., however, President Mari and Foreign Minister Luik, who's now the ambassador here, wrote a letter to the secretary of state asking if the U.S. would send me to Estonia from time to time in order to advise the Foreign Minister on establishing a new foreign ministry and diplomatic service. The letter to Secretary Christopher arrived about a month after I left in December of 1994. In any case, I had to return to Tallinn later in December to cover for the then chargé, who had to return to the U.S. for a month of compassionate leave. But after the Secretary approved the request, I traveled from Washington to Tallinn and back several times over the next two years, advising three successive foreign ministers. I never asked if was legal, but AID paid for my expenses and State paid for my salary. I was Director of Foreign Area Studies here at FSI during the same period of time.

Actually, I started advising the Estonians even before I was at FSI. I spent a total of another six months in Estonia. It was an interesting experience. I had an office right next to the foreign minister and I helped them set up security systems and talked to them about management issues. Most of the time, however, was spent advising them on foreign policy questions, particularly regarding how to deal with Moscow. Later, we discovered that the Russians had taped my phone during one two-week stay in the Ministry.

Q: This is from '91 to..

SMITH: This is from early 1995 through 1996.

Q: How did Estonia deal with the other Baltic States. As an American, we always lump these countries together. But what was the relation between them?

SMITH: It has always been a complicated relationship. Each country wants to be treated as unique, but they all wanted to be dealt with in the same way. We never admitted to lumping them together, but then we would do it in the next sentence. Often, it was just easier and more beneficial to treat them in the same way. There was a sense of being a Baltic person, and they had worked together to free themselves from the Soviet Union. There was a lot of collaboration between the Baltic States. They had a feeling that they had to stick together in order to survive Russian pressure. For the first few years there was a lot of collegiality. Eventually, as they became more independent, there was some splintering. There are strong ethnic ties between the Latvians and the Lithuanians, but not as much with the Estonians. There are regular Baltic presidents, prime ministers, foreign ministers and defense ministers' meetings. The Estonians quickly decided that they were different (perhaps superior) than the rest, and that they were more Nordic than Baltic. Toomas Ilves, the former Estonian ambassador to Washington, started the talk about being Nordic. This kind of talk made the Latvians and Lithuanians somewhat angry, since there was an implication that the Estonians are better than the rest. Each Baltic State constantly compares itself against the other two when it comes to unemployment, GDP, number of people committing suicide. Every month, one would see figures come out comparing all three countries on various issues. They still wonder constantly about how they are doing relative to the other two. So, it is natural that outsiders too often lump the three together. Now they're all members of NATO, they're all three going to be in the EU. In some ways, this will allow them more individuality, in the sense that they're part of a larger whole and they won't just be considered Balts. They will be EU members and NATO members. In reality, they are as different from each other as the Scandinavians are.

Q: Was there any overlapping border claims or problems?

SMITH: Not between the Baltic States. Latvia and Lithuania had a dispute over territorial waters, but it never became contentious. They worked it out. They had so many problems with Russia that they didn't want to do anything that would weaken their solidarity. The Germans were somewhat active in the commercial side. In fact the German, Danish and Finnish embassies were located in the Foreign Ministry building for a few years. When I became an advisor to the Estonian foreign ministry, the Germans were very ticked off. They thought they were better qualified to advise the Estonians. The Finns who had sent an advisor to the Foreign Ministry, but he had been pretty much ignored. The Finns also resented my role. In the Ministry's elevator I would often meet Germans or Finns and they let me know that the Estonians should not be listening to an American. I just shrugged it off.

Q: Did they reach out to us because we were somewhat removed, or that we had the reputation for trying to do the right thing?

SMITH: All over East Central Europe there was a lot more trust in the United States than there was in the West Europeans. East Europeans believed that Europeans would sell them out to the

Russians when the going got tough, whereas the U.S. would more likely support them. To some extent, this fear was only fueled by the German Government. Then Chancellor Kohl refused to make an official visit to the new Baltic States, because he felt that it would needlessly irritate his friend Boris Yeltsin. During the whole Kohl chancellorship, he made only a three-hour trip to Riga near the end of his term. At that meeting, he conspicuously spent most of his time talking to Russian Prime Minister Victor Chernomyrdin.

Q: Yes, Chernomyrdin was at that time was the Russian prime minister.

SMITH: In fact after Kohl left office and Schroeder came in, Schroeder did make a trip to the Baltic States, and just by chance, I was in two of the Baltic capitals, Tallinn and Vilnius, at the same time. Schroeder visibly looked like a man who was embarrassed to be there. It reflected his fear of irritating Moscow. Of course the Balts sensed Schroeder's lack of interest. Later, the U.S. had to pressure Germany, and many other European governments, to allow the Baltic States into NATO. The U.S. had actually begun a substantial assistance program in Eastern Europe before their European neighbors decided to help. We came in with military advisors to help the Balts set up new defense forces much earlier than the Europeans. Even today, with most of them in the EU and NATO, there is a lot more trust that the U.S. would help if they are threatened by Russia. They do feel more secure, however, being EU members.

Q: Did you find yourself working jointly with the Swedes?

SMITH: Yes, the Swedes were very collegial and we worked extremely well together. They had fewer hang-ups about working with the United States than almost anybody around. In fact, when I was in Tallinn, the dean of the diplomatic corps was a Swede. His son attended an Estonian school and the ambassador did much for Estonia. He is a great guy. I've met him several times since at the foreign ministry in Stockholm. The Swedes sent top diplomatic talent to the Baltic States. This reminds me of the tragic sinking of the ferry, The Estonia, that carried passengers between Tallinn and Stockholm. The ferry sunk in a September storm, drowning over 900 people.

Q: It was coming from Sweden wasn't it?

SMITH: It was going to Sweden from Estonia. My Swedish ambassador friend had met personally about 100 people who drowned that night. I was still Chargé at the time and had met about five or six of those who were lost. I was told before I went to Tallinn that Estonians was that newly arriving foreign diplomats would make a point of immediately visiting the large ethnic Russian population near the Russian border in the east of the country, assuming that the Russian population were the worst off economically. Therefore, after I arrived in Estonia, I immediately went to the poorest area of the country, which was not a Russian area, but was a southeast province called Viru, along the Russian border. The people there were almost all ethnic Estonians. At yet, in all my traveling around Estonia, I found the people in Viru to be a young, vigorous, energetic group, and they didn't ask me for any U.S. assistance. They really were an impressive group. I spent two days with the local leaders and they all later drowned with their wives on the ferry. At least 85 orphans were left in the small provincial town of Viru.

Q: What happened with the ferry?

SMITH: During a night time storm, the front gate was not adequately secured and it came off, leading to flooding of the ship and its sinking. Although many Estonians and Finns died, there were even more Swedes. Surprisingly enough, there were no Americans aboard. I received a call about four o'clock in the morning informing me about the tragedy. At that time, no one knew if Americans had been aboard. It was an enormous tragedy for all of the region's countries, but particularly for the new Estonia. The first country to send help to the families of those lost was Sweden. That was quickly followed by help from private Americans. The U.S. Baltic foundation quickly put together a fund to help the families. It wasn't a lot of money, but I was impressed by their support. I was also impressed that the Swedes gave so much help to the Estonians even though they themselves suffered more than anybody else. I will always remember the faces of the people from Viru who were lost. The images of others from my trips around Estonia have long faded.

Incidentally, my wife and I took that same overnight ferry from Tallinn to Stockholm and back several years later. It was a beautiful ride and we had a great time. But, we could never forget the hundreds of people who had lost their life.

Q: Did Britain or France play any role in Estonia?

SMITH: France played almost no role. They were there, but not very visible. The Brits were more active. They had good diplomats in the Baltic States. Some of the foreign ministries tried to send good people and others, like the French and Norwegians, were not interested in the region. The first ambassador to Estonia from Germany was still in Tallinn while I was there. He had come from a royal German family who before WW II, had owned a large estate in Estonia. He reclaimed the house that his mother had owned in a prominent spot in Tallinn, and made that the official residence of the German ambassador. He always made a point of tell people how wealthy and important his family had been in pre-war Estonia. He was too insensitive to recognize how much that offended Estonians. Perhaps he didn't realize that the Baltic Germans had been the overseers of Estonians on behalf of the czar. For over a hundred years, the Baltic Germans kept the Estonians in a subservient position. I don't the German Ambassador ever understood his stupid remarks. He was less interested in diplomacy than in renovating his mother's house and in putting a large plaque on the side of the building commemorating his family. He was also very jealous of the fact that I was an advisor to the foreign minister. After he left, the Germans became marginally more active, but it was a slow, slow process. They sent people to the Baltics who were on the verge of retiring or had already retired in place.

Q: Did you run into a difference a view between the people in our embassy in Moscow who were seeing things in terms of, we're talking about localitis. Did this happen?

SMITH: Yes, this was a constant problem. At the U.S. Embassy in Moscow, our people still looked at the Baltic States as the periphery or simply the borderlands. We could not get Embassy Moscow's help on many issues, including the program to help Russian military officers re-locate in Russia. The Embassy turned the project over to a USAID contractor, who's only ability appeared to be that he could speak a little Russian. He and Embassy Moscow kept assuring

Washington that the program was moving on schedule, when nothing at all was happening. I sent cables to Washington and Moscow reporting that this was not true. The embassy in Moscow just became irritated with me for exposing their incompetence or negligence, and nothing changed until Washington sent out an inspection team. I had seen the same problem when I worked in the European Bureau. The Soviet, and then the Russian Bureau, was anything but collegial. It was even more difficult dealing with them from Tallinn, since Embassy Moscow tended to look at the Baltic States as peripheral to important foreign policy issues and therefore, not worth their attention. They were only interested in nuclear weapons and other global issues. Most people at Embassy Moscow appeared to have little sympathy for the victims of the Soviet Union. I should say that one officer from the consulate in Leningrad was very helpful to the Baltic independence movement at some risk to his career, but he was the exception.

Q: Did you ever find yourself caught between what was good for the Estonians and what was good for the United States? Conflict of interest is the term.

SMITH: I never felt that type of conflict, or maybe I was too sympathetic to their situation to notice. There was, and still is, some dissent in the United States regarding whether we should have encouraged these countries to join NATO. I very much supported it, but thought it was a matter of justice and national security. The fact that I had lived in Hungary for six years under communism also moved me in the direction of thinking that once these countries were in NATO there would be more stability in central Europe. Russia would have to get over the loss of empire and move on with life. Many of our allies and much of the U.S. academic community thought that NATO enlargement would be a disaster for our relations with Russia. But as far as any conflict between U.S. and Estonian interests, I can't think of a case where I believe that our security interests clashed.

Q: Regarding the NATO situation, had the entry into NATO arisen while you were there? Was that an official policy?

SMITH: Yes, under Clinton and later under Bush II, our policy was to support (not originate) aspirations by East Europeans for NATO membership. The Baltic States in particular, came under constant economic and political pressure from Russia. As a result, people in the region felt that they needed the protection of NATO's Article V. If Russia had been more benign toward their neighbors, there would not have been as much rush by the East Europeans to become NATO members. When a Russian diplomat complained to me about NATO enlargement, I asked him why the countries that had been part of the Soviet Union or Warsaw Pact wanted membership so badly. He refused to comment. I think he understood the shortsightedness of his government's policy. East Europeans owe a lot to both Bill Clinton and George Bush. They both worked hard to integrate the former communist countries into European and trans-Atlantic institutions. Most Europeans were indifferent to the security needs of the former communist states. The Norwegians and Danes were supportive and the Finns and Swedes, both non-members of NATO, wanted to see the Alliance security extended to the Baltic States. The Germans and French were fairly hostile to either EU or NATO membership for former parts of the Soviet Union. Today, I feel even more strongly that our policy was the right one.

Q: Who was Clinton's friend and advisor, the number two in the State Department?

SMITH: Strobe Talbott?

Q: Strobe Talbott. Now he was the Soviet hand, had served there as a correspondent and was very familiar with the issue. I would have thought that he might have fallen into the don't upset Russia mode. Did you feel his hand in this?

SMITH: Yes. He did follow that line for the first couple of years. But, he later became somewhat disillusioned by the situation in Moscow, with the craziness of Boris Yeltsin and his policies, and with the massive corruption in Russia. The corruption was not only in the Russian Government, but pervaded the whole society. He eventually became a big supporter of NATO membership for the Baltic States, and that was helpful. Talbot was an influence on our Russian policy during the entire Clinton period. He came in to the Department as Undersecretary for Political Affairs, and then moved up to become Deputy Secretary. Although there was some opposition to NATO enlargement from some political appointees and career people in the State Department, Talbot coming on board ensured that it would become U.S. policy. Talbot is a very decent, and thoughtful person.

Q: Were there military requirements to belonging to NATO that would put, I would think, a pretty hefty burden on the small new state.

SMITH: There were certain requirements and benchmarks for NATO membership that were contained in military action plans that had to be agreed to by the Alliance and the prospective member. Some opponents of membership charged that the new members would only be “consumers of NATO security,” and not provide any “value added” to the Alliance. On the whole, that argument was nonsense raised only to block enlargement. If you look back in NATO's history, there were a lot of countries that became NATO members that didn't add a damn thing for many years, and were nothing but “consumers of security.” During Greece's history of NATO membership, it has been more of a pain in the neck than a real contributor. In fact, when I was in Hungary on my second tour, the Greek ambassador reported regularly to local communist officials everything that went on in our NATO ambassadors' meeting. When Germany became a member of NATO it had no military. So these were political decisions. In any case, the requirements put on the former communist states were tougher than faced by many of the original members. The Estonians still have the weakest military of the three Baltic States, but NATO has benefited from their membership. They are in a better position to defend themselves against Russian threats and provide intelligence and other support to NATO.

Q: You mentioned the corruption angle. Russia, I don't know if they've shut it completely, but they're moving out of this robber baron, but even more than that it's almost a Mafia-type situation of controlling things. When Estonia became free, were there sort of public concerns, utilities, railroads, lumber mills up for grabs, and how did they do?

SMITH: While organized crime was a serious problem in the ten years after independence, it was never on as large a scale in the Baltic States as in Russia. It was a bigger problem in Estonia than in Latvia and Lithuania during the first few years, but that diminished over time. Even so, in Estonia in the mid-1990s, there were seven known organized criminal groups. I arranged to bring

to Estonia representatives from all major U.S. law enforcement organizations to look at the situation. As a result, the FBI established an office at the Embassy in Tallinn to help train law enforcement personnel in all the Baltic States, but particularly in Estonia. The FBI also dealt with criminal cases that had a U.S. connection.

Of those seven criminal groups in Estonia, all were led by ethnic Russians. There was the Perm Group, the Krosnadarsk Group, etc., all identified by where the leadership had ties to in Russia. There was also substantial criminal activity which passed through Estonia from Russia. This was a period when many Russians were stripping precious metals out of utility lines, power plants, and even ballistic missiles. They were shipping copper wire and other precious metals by rail to the Baltic ports, and then on to Sweden, Finland and other countries in Europe. It was all being organized by criminal groups in Russia, using their connections with colleagues in the Baltic States and in Western Europe. Ironically, Moscow publicly blamed the Balts for the illegal metals traffic, but the people who were stripping it out and moving it to the West were Russians.

In early 1994, before I went to Estonia, I traveled from Moscow to Riga, Latvia on the overnight train and had a compartment to myself. Just before approaching the Latvian border, about four o'clock in the morning, there was a banging on my compartment door. I opened the door, and there were two guys in uniforms with Kalashnikov rifles. I immediately assumed that they were there to provoke some incident or to shake me down for money. I even thought that it could be even more serious. I attempted to explain to the two soldiers that I was a diplomat, with the normal immunities. These guys didn't care who I was. They marched in, and instead of drawing a weapon, they pulled out a metal detector and went around the ceiling of my compartment to check if I was trying to illegally export precious metal. When they didn't find anything, they saluted and walked out. That was it. It was a bizarre kind of experience, but I figured that either someone had failed to pay them off for a shipment expected to come through, or they were two of the very rare honest border guards. Large quantities of small arms were also being exported out from Russia through the Baltic ports. In Russia, people were stealing everything they could get their hands on. Today, crime in Russia is no less than in the 1990s, but it is usually more sophisticated and somewhat less violent.

When I lived in Estonia, one of our local employees had a brother who was a policeman. I remember her telling me that he and his colleagues were afraid to stop any luxury car that was painted black and had darkened windows. The local police were afraid of retaliation by Russian Mafia members. The consequences of stopping the "wrong person" could be horrible, either for the policeman or members of his family. It was like the "wild west" in Estonia and Latvia for a few years. It was tough to bring the criminal groups under control. They had more fire power, money and intelligence than did the authorities. The police were delighted when one crime figure was murdered by a competing group; and it happened frequently. Crime and corruption was somewhat different in Lithuania during this same period. Members of the gangs were both ethnic Russian and Lithuanian. However, in Estonia and Latvia, almost all organized crime was carried out by ethnic Russians.

Q: During the time you were there, both as chargé and then as a consultant, did things change?

SMITH: Yes, but only marginally. The local police, with the help of U.S. and European police forces, were able to reduce the level of organized crime. The U.S. and several Scandinavian countries helped train and equip the local police and assisted in setting up a more effective intelligence agency, that would also be able to get a handle on Russian spying in the Baltics. The U.S. did a considerable amount of police training in all three countries. There's still corruption and spying emanating from Russia, but it is nothing like the early or mid-1990s. At that time, Russian intelligence officers were running roughshod over the Estonians. Because of the heavy handed attempts by Moscow to intimidate the Estonians, Russian influence in the country declined quicker than it would have otherwise. The Balts are difficult people to intimidate. When Russia cut off trade in an attempt to apply political pressure, the move only increased Estonia's trade with the West. Also, the people adversely affected by Moscow's economic pressure were usually ethnic Russians, who worked in the industrial sector, particularly in Tallinn and near the Russian border. It was a stupid policy on the part of Kremlin leaders, but they were following their emotions, rather than logic in dealing with the Baltic States.

Q: Were you able to see in this period a change because of technology, communications and all of this, and how did the Estonians fit in to the computer age?

SMITH: Young Estonians jumped right into the cyber age. Within a short time, they were ahead of the U.S. in computer and cell phone use. These young Estonians got a head start over the Latvians and Lithuanians, who were still burdened by leadership from the communist era. I remember working in the Foreign Ministry and feeling like such a fool because everybody knew more about computers than I did. They were getting the news on line every day. This was back in 1995, long before anyone in the State Department had on-line access to international news. Many young ethnic Russians also quickly mastered the cyber world and were using it to gain advantage over some of the ethnic Estonians. A professor I knew at Estonia's technical university taught a class in technology. His class was composed of about half Estonians and half Russians. Even though he was an ethnic Estonia, he told me that almost all of his top students were ethnic Russians. Also noteworthy, was the fact that the class was taught in Estonian. As members of an ethnic minority, they recognized that they had to try harder and be more clever than the ethnic Estonians in order to get ahead. Although many young Russians were able to adapt very quickly, their parents could not. The over 40 age group could not adjust to a market economy and having to take responsibility for their own jobs and welfare.

Q: What kind of academic and cultural ties did they have to the United States? Was much happening there?

SMITH: The Embassy and the Fulbright Commission sponsored many students to the U.S., but Estonia's cultural and academic ties were closest to Finland and Sweden. There was a professor Taagapera at the University of Tartu. He was an Estonian-American and had taught for many years at the University of California. He arranged for several Estonian students to study at American universities. George Soros, the American financier, had established a branch of his Open Society in each of the Baltic States, and his people helped develop educational and cultural exchanges with Europe and the United States. On the military side, the United States carried out more training and exchanges than any other country. Estonia maintained some military ties with their counterparts in Sweden and Finland, but the U.S. went in with full-time advisors very

quickly, and we helped equip their new military forces. Eventually, the Swedes granted considerable military help to all three Baltic States.

Q: What about English? Was English supplanting Russian?

SMITH: Yes. It seemed as if everybody wanted to learn English. I even saw Japanese set up English language teaching sessions. Even with their heavy accents, independent Japanese made money teaching English in the early years after independence. Some Estonian leaders, such as President Lennart Mari, spoke eight languages, including English. The Prime Minister and the Foreign Minister, then ages 32 and 26, spoke very good English. Everyone could speak Russian, of course, but English was taking over as the second language. English is the business language today in Russia and Poland, and in the entire region, with the exception of Hungary, where German is the second language. Young people did not want to learn Russian, since it was seen as the language of imperialism. Today, more university students in the three Baltic States are learning Russian in addition to English because they see it's useful for doing business in the region. But the number one foreign language study is still English.

Q: Did Poland play any part in the Baltics?

SMITH: The Poles didn't play much of a role in Estonia or Latvia, but they were more prominent in Lithuania. From 1989 to about 1994, Poland was preoccupied with its own reconstruction. In the early days, Polish-Lithuania relations were quite contentious, because Poland forcibly took over much of Lithuania after the First World War. Lithuania's capital became Vilna, a Polish city, until returned to Lithuania in 1940. Lithuanians still resented Poland's seizure of its territory. After 1945, there were villages in Lithuania that were occupied entirely by ethnic Poles, and Lithuanians who were trapped in Poland. Over time, however, Poles and Lithuanians recognized that their mutual hostility only created opportunities for mischief by Russia. By 1995-96, relations took a sharp turn for the better and both countries worked to reconcile the foreign communities in their midst.

Q: Kaliningrad? That's sort of an anomaly.

SMITH: Kaliningrad was always on the agenda when I was in Lithuania, but not so much during my period in Estonia. In any case, Kaliningrad had been the largest Soviet/Russian military base on the Baltic Sea. It gained a reputation of being the "black hole of Europe," with the highest AIDS rate on the continent and enormous poverty. A million people, almost all of them poor, lived next door to a Lithuania and Poland that started off much richer, and with a wealth gap that was only increasing between them and Kaliningrad. Kaliningrad is still a neglected part of Russia. It receives little economic help from Moscow. The Kremlin is afraid of it becoming too westernized and that the population will demand more independence from Moscow. The lack of support from the rest of Russia is resented in Kaliningrad and that increases the suspicion of the enclave in Moscow.

Q: I'm just trying to think what was happening in the United States then.

SMITH: Clinton was president during that period of time, and his administration gave considerable support to Baltic independence. Without Clinton's strong demarches to Yeltsin, Russian troops would not have withdrawn in 1994. The U.S. was very popular in all of Eastern Europe during that period.

Q: Sort of from the optic of Estonia, what was the view of Yeltsin during this period?

SMITH: Yeltsin was reasonably respected for his recognition of Baltic independence in August 1991, shortly after the breakup of the Soviet Union. Thank goodness, Putin had not been president at the time. To this day, Putin keeps talking about what a terrible disaster the breakup of Soviet Union had been. In the mid-1990s, however, the Balts were just relieved to be independent. There was a feeling in the Baltic States that Yeltsin was not such a bad guy, at least compared with the others in the Kremlin. Later, for domestic political effect, he would make nationalistic statements which would irritate the Baltis. Many of Yeltsin's advisors could not accept Baltic independence and they kept trying to erode the Baltic economies in an attempt to maintain Russian influence in the three countries. There was a feeling among some of Yeltsin's advisors that the Balts could not manage on their own, and with time they would come crawling back to Moscow for help. Russians resented what they believed to be Baltic ingratitude for all the benefits they had received as members of the Soviet Union. This view from Moscow of the world was to some extent shared by our embassy in Moscow. But Russians now say that they will stop subsidizing those who left the Soviet Union, without thinking about the benefits received by Russians from control over the region.

Q: Of course, there always has been this difference between the Baltic states and essentially the Stans. The Stans were getting something out of their relationship with the Soviet Union, where the Balts were essentially being milked.

SMITH: In 1940, the standard of living in the Baltic States was on a par with the rest of Europe. It was even higher than it was in Poland and in Norway. Even during the Soviet period, the Baltic republics had the highest standards of living of any of the 15 republics; much higher than in Russia itself. Relatively high living standards in Estonia were not a result of Russian good will. Russians sent to the Estonia and Latvia were poorly educated industrial workers who were immediately given advantages over the local people. At the same time, high-level Communist Party and bureaucrats used the Baltic beaches and the vast number of sanitariums and recreation facilities as a Russian playground. Some of these sanitariums would be below one-star level in the West, but were better than anything in Russia itself. I stayed at a couple of these cement monsters, that were built to pamper the nomenklatura. During the Soviet period, Russians either went to the Crimea, or they would go to the Baltic States to vacation and play. After independence, many Russians still continued to use the hotels and sanitariums along the Baltic coast. During the Soviet period, they didn't like to hear Estonian or Latvian spoken, and there are still places where the locals obligingly speak only Russian. I've talked to many from Russian who feel nostalgia for their Soviet-era vacations at Baltic coast resorts.

Q: Did you feel that Estonia or the Baltic States were becoming part of the tourist circuit? Were people coming there to visit from Europe?

SMITH: By the early 1990s, there were a lot of tourists visiting from the West. They were curious about the region and could vacation more cheaply than at home. Most of the tourists who came in the first years of independence were from working class European families. The Finns and the Swedes came to Estonia in droves, and they spent a considerable amount of money, which helped the fledgling economies. They also bought agricultural products that often originated in their own countries. Because of EU agricultural subsidies, you could actually buy a lot of West European products cheaper in the Baltic States than you could where they were produced. That was not a benefit to the Baltic economies and contradicted the claims from Brussels that the EU was giving enormous financial help to the new countries. The Finns were especially eager to buy their own country's food products in Estonia. EU subsidies made them much cheaper in Estonia than in Finland. I remember going to Poland in 1991, and finding that you could buy Danish ham cheaper in Poland than you could buy it in Denmark. Of course, Polish farmers didn't feel good about that. It was grating for East Europeans (and for me) to hear the constant bragging by the EU about what the West Europeans were doing to help "their poor Eastern brothers."

Q: You do weigh something about the relations that I think the Baltic states and all sense, that Europe, the EU as an entity is really more, they don't want to upset anybody. I get the feeling that this comes maybe even with the Iraq war and all of that, that the Europeans would compromise on most things.

SMITH: The EU was concerned about irritating Russia or Boris Yeltsin. Yes, the energy ties between Western Europe and Russia are more important than they are to us, but EU bureaucrats were often too anxious to please Moscow at the expense of those who had suffered through 50 years of Soviet occupation. At the same time, it was good for the Baltic States to take the necessary steps to be eligible for NATO and EU membership. It forced them to stay on the reform path. Without the carrot of membership, they would not have reformed as quickly. It deterred them from doing some pretty stupid things. So, EU and NATO membership has been a great reform incentive for Eastern Europeans. It was also an incentive for the Slovaks to get along better with Hungarians, and for the Hungarians and Romanians to try to bury old animosities. They learned that pushing ethnic xenophobia would only prevent them from achieving NATO or EU membership. Being in the EU was not only a substantial incentive to economic reform, but it provides the region with a certain degree of "soft security" in dealing with Russia.

Q: Was there a desirable change in supply patterns? Electricity, oil, of the product between what had been the Soviet Union over towards the west, or not?

SMITH: The Baltic States, as well as most of Eastern Europe was highly dependent on cheap Russian oil and gas. Moscow attempts to use raw materials dependency to maintain a high degree of political control. Russia blocked energy shipments to the Baltic States in 1990, in an attempt to crush the independence movement. They did it again in '92, in an attempt to keep Russian soldiers in the Baltic States. A few Nordic countries did rush in some oil and oil products to the Baltic States in order to help them through those cold winters. The Russians also discovered that they lost substantial revenue by not shipping oil products out from the Baltic ports. When Putin came to power, he vowed to stop the Baltic States from being Russia's oil

export routes. Because of Russian import restrictions, Baltic consumption of consumer goods switched from Russian to Western sources. Within a short time, every one wanted to drive a Western-build car rather than a Russian one.

Q: We're talking about little cars.

SMITH: Even larger Russian-made cars became scarce. Many people would go to Western Europe and buy used BMWs and Opels. Now, almost all the cars in the Baltic States are non-Russian.

Q: Of course, when you speak about Russian consumer goods it's almost an oxymoron.

SMITH: It is unfortunately, although many Western companies have started manufacturing plants in Russia and the quality of Russian made goods are improving. After the financial crash of 1998, Russians couldn't afford Western products, even those made in Russia. Some good Russian entrepreneurs then discovered how to make some decent consumer goods. Now, it is very popular to buy "Russian" products in Russia, although not in the Baltic States. At times, Russia has arbitrarily blocked Baltic imports into Russia. As a result, Baltic producers learned how to make goods attractive in the West. If you were a good Baltic businessman you wanted the ability to export in both directions, not just to Russia. Russia made itself an unreliable market, but it will always be an important one in the region. If there was a political argument between Moscow and a Baltic country, your exports might or might not be blocked. If you could export to Germany at the same time, or to Sweden, you had a more stable customer base. Things became very difficult after the August 1998 collapse of the ruble. Many Baltic exporters who were dependent on the Russian market went under, or went close to going under. Whereas, those who had a parallel market in the West managed ok. So it was in their interest to become less dependent on Russia. Import dependency on Russia has declined dramatically, except in the area of energy, where Russia still holds the cards.

LAWRENCE P. TAYLOR
Ambassador
Estonia (1995-1997)

Lawrence P. Taylor was born in Ohio in 1940. He received his bachelor's degree from Ohio University in 1963 and his master's degree from American University in 1969. During his career he served positions in Colombia, Santo Domingo, Yugoslavia, Indonesia, Ottawa, England, and an ambassadorship to Estonia. Ambassador Taylor was interviewed by Charles Stuart Kennedy in April 1998.

Q: So just to get this, you were in Estonia from '95 to-

TAYLOR: '97.

Q: I would have thought that particularly the Baltic countries, because there are a good number of Baltic people whose family came from there, this would be one of those domains like Ireland your name has to be Kennedy or O'Brien to get it. Was this a consideration or was this part of the political process? Did you sort of fall through the cracks?

TAYLOR: No, you know it may turn out that the Baltic States become that in the future, but they're certainly not that now, and the Estonian-American community at least, and I don't want to speak for Latvian- or Lithuanian-Americans, but the Estonian-American community very much wants a professional, a career officer in Estonia because they know that the freedom of Estonia is a fragile thing. It's not something to be taken for granted, and the job of building and shaping a future in that region in which Estonia and the others can prosper and remain free and remain independent of Russia is something that they think is best served at this time by a succession of career ambassadors.

Q: I think they're right in this case, because political ambassadors, particularly at that level, often are essentially lightweights, and it's a bone thrown out to them and it doesn't carry the weight and probably doesn't let them understand what the situation is.

TAYLOR: Well, I think that's right, and there's another angle, too, and that is it's important to remember in Estonia that the American presence six years ago was one person, a hotel room, a phone, and a fax. And so we're dealing with creating and shaping an American presence as well as American policy in the region, and that means everything is being done from the grassroots in a society in which not everything is available. And frankly, the conditions, although they are getting much, much better, as a result of both Estonia's progress and the hard work of the American employees who have been out there and of our Estonian counterparts, our FSN's who are out there - the conditions in which an Ambassador lives and operates do not approximate those in Western Europe, and I think a great many political appointees would not feel that they are living in the style in which an ambassador should. That all has to be created and done, and they have to do it. You know, you don't ring a bell and staff runs in to take care of your every whim. You have to build the bell. You have to find the staff. It all takes a lot of time.

Q: Well, did you have any problem, or how was your confirmation for this?

TAYLOR: It was easy. It was a very easy confirmation.

Q: Before you went out there, what were American interests in Estonia, and what did you see as being sort of your priorities, your one-page list of priorities?

TAYLOR: Well, you got it right. It is my style to have an agenda and then to work toward that agenda, and I have to be flexible, both with regard to your expectations of progress and with respect to the priorities on the agenda, in case you got it wrong or changing circumstances throw up new ones. But when I arrived in Estonia, I did create an agenda that I worked toward. And part of it was institution-building at the Embassy. When I arrived there, there were about 10 American employees. When I left there were in the mid-20s. So we were in a process of growing, and I thought of it in terms of a child, you know, back at conception

(when there was one person, a hotel room, a phone, and a fax) and moving toward a fully mature American platform, an embassy capable of achieving America's interests in the country and in the region. I was a part of that. I was there after the conception, and there's certainly a long way to go, so we're not a fully mature adult presence yet. And I thought, just as you take a child through various stages, it's very important to instill the right precedents, the right principles, the right operating structures in this growth process, so I paid a lot of attention to having the Embassy configured in a way that represented American interests looking toward the 21st century and trying to be sure that we did not have an embassy structured to win the Cold War because we'd already done that. But the inertia of Washington tends to want to produce a Cold-War type embassy in a location like that. We didn't need that; we needed one that was pointed to the future. So I worked very closely with the interagency process to see which agencies would come and even in the selection process of the people they sent, to make sure that we had the right kind of people to work together as a team in that embassy.

Q: How would you compare and contrast a Cold-War embassy with the new-style post- Cold-War embassy in the microcosm that you were dealing with?

TAYLOR: Well, I think the key thing is that form should fit function, and that our objectives, our functions, in Estonia and in the Baltic States now related to building security, to helping them integrate in to the Western community of nations, building democracy, building a society based on rule of law, and it related very little to learning about and competing with a Soviet monolith that was bent on our own destruction. And so the kinds of people and agencies and programs and activities that we wanted at the Embassy were those capable of contributing effectively and efficiently to these very different objectives and functions.

Q: When you arrived in '95, describe Estonia as you saw it.

TAYLOR: Well, it's a small country, and you know that going in, but it's a fascinating country. Now you start with the fact that one of my objectives when I arrived was to travel everywhere in the country as quickly as possible. I wanted to do that for a variety of reasons. I wanted to do it because I wanted to learn about the country. I wanted to do it because I wanted all parts of the country and small towns everywhere to see, symbolically, that America cared about them and that we weren't just in the capital. I wanted the people at the Embassy to see that, that our job was to get out of the capital, that it was my job and their job to represent the United States throughout Estonia. So when you say, "What was the impression of Estonia?" I'm talking about an impression of a whole country.

But of course, you land in the capital. That's where you start, and I had been prepared by briefings that Tallinn, the capital, was an extraordinarily beautiful medieval city, but I was still struck by it. It is one of the gems of Europe, and increasingly now being recognized and discovered by tourists and CODELs and so forth.

Q: CODELs being Congressional delegations.

TAYLOR: Congressional delegations. People are beginning to understand that something really nice is there in Estonia, but the country is kind of enchanting. It is small, basically flat, except in southern Estonia there are rolling hills. It is heavily forested, and when you start to put together the geography and the history and the culture of what has gone on on that piece of land, you really do get a sense of history in the making - not just in the past. You are working in a place and with people who have something that is almost a miracle, and that is a second chance at life. They're getting a second chance by a miracle of history. And they and we have a special role now in building a totally new future and inventing a new history and in shaping a new reality, and so I think that spirit infuses almost every American - not just official Americans, the business community and the NGO community as well - who goes to Estonia. You come away with almost a magical feeling that you're not just witnessing something special; you're participating in it and helping to shape it. And it's that spirit, more than anything else - more than the geography, more than the architecture - which remains my first and last impression of Estonia, that we didn't just have a nice job in an interesting and beautiful country and city, we had a unique opportunity to shape a totally different future.

Q: What were Estonia's sort of things that keep it going, natural resources and all?

TAYLOR: Everybody asks that question and then everybody says just what you said, "natural resources and all." Back in the days when I occasionally taught development economics, in my very first lecture I used to give an example of two hypothetical, isolated island countries (so you can't connect it to anything else; they're by themselves), and one had oil and gas and coal and gold and forests and just everything you could imagine, and the other had nothing - it was a barren rock. But of course, one was Japan - it was the barren rock - and the other was Indonesia. One was rich, and one was poor, but it wasn't the one you think when you ask about natural resources. Now what counts, in my view, is people and leadership, and the natural resources of Estonia are its people and its leadership. Now they do have forestry. They do have oil shale. They do have an economic structure that has been built up on its natural resource base and over time, but if you look to the future, Estonia's future is in trying to become - and I think it has the potential, not the certainty, of becoming a Hong Kong or Singapore of the Baltic. And when you think of it in that way, it will be education, it will be leadership, it will be the people skills that spell the difference between success or less than success.

Q: And of course, it has a port and its very strategic position.

TAYLOR: It has its port, and again, from an economic point of view, this should be a service-based economy, a high-technology economy, and *entrepôt* for the big Petersburg and Moscow hinterland that sits behind it. It's not a market that should be defined by its very small borders but seen as a stepping stone into the huge market to the east. Estonia, I think, has a lot going for it, but the least of it is kind of its traditional natural resource base.

Q: What about the people, particularly the high proportion of Russians versus native Estonians and all that? How does that work out?

TAYLOR: Well, Estonians are surprisingly introverted and almost passive, which is a bit of a shame because inside they have so much beauty and grace and skill but they hide it, and it's a little bit off-putting to people who don't understand that it is there and it is being hidden for cultural reasons. About 30 percent of the country is ethnic Russian. You pointed that out in your question. That constitutes one of the really critical issues in the region, not just within Estonia, because how that situation is dealt with in social, economic, political, and cultural terms could be critical to the evolution of the entire region, and there are a great many problems in all of those areas that need stronger leadership and more involvement by Estonia. But I also want to mention that it is more than a national issue; it is an international issue, in the sense that - in my view, although I want to flag that it is not the view of all my colleagues in Washington, but it is my view - portions of the society in Russia try to use and to manipulate the presence of ethnic colleagues in Estonia and Latvia for their own foreign policy purposes in much the same way that the Germans did in the 1930s with the Sudeten Germans and the Danzig Corridor and so forth. That is, they care not a whit about the actual conditions or trying to ameliorate or improve them; they simply want to use the fact of their presence in order to try to justify and legitimize a reach into Estonian sovereignty, both to pressure Estonian authorities on other issues (basically security and foreign policy issues) and also to confuse the West about whether Estonia and Latvia are countries that you can really trust. Are these the kind of countries that you really want to bring in to your clubs and organizations? Or aren't they a little risky? Aren't they a little problematic? Aren't they human rights abusers? And so the foreign policy dimension of this issue was one of the things that I worked most consistently on during my time in Tallinn, and of course, the Embassy, and myself included, traveled extensively to the areas where the ethnic Russians live in greatest numbers, both to stay on top of developments, but also to establish networks of contacts with them and their communities and organizations, and to be sure that they understood that we represented the United States to them as well. One of the things that I insisted on as ambassador, for example, was that agencies that have programs whose purpose was to operate in Estonia, had to operate in the ethnic Russian areas of Estonia, too. I insisted we have Peace Corps volunteers in Narva and in Sillamäe and in Kohtla-Järve and in these northeast cities and villages and communities, because we weren't just going to have those programs for Estonians. They were operating in Estonia, and we were going to have them for all the people that lived in Estonia.

Q: Were you having problems with the Estonian community in the United States on this?

TAYLOR: No, not at all. The Estonian community in the United States greatly supported my efforts on this. That's what they wanted to see. What bothers the Estonian community in the United States is that sometimes they feel that Washington believes what Moscow is saying about the treatment of ethnic colleagues, and that's their concern, that somehow, out of either ignorance or out of a desire to get along with Russia, Washington will turn a blind eye to the reality of the situation in Estonia and Latvia and sort of will let Russia get away with using these ethnic colleagues as a foreign policy lever on the Baltic States.

Q: In the first place, did you have Russian-speaking officers?

TAYLOR: In the Embassy?

Q: *At the Embassy.*

TAYLOR: Yes, we did.

Q: *Since this is one of the major issues, what was your impression during the time that you were there of the treatment of the Russians, and did you take any active part in representing the problem to the government there?*

TAYLOR: Oh, golly, yes. This was a big part of our job and our presence in Estonia. First of all, just remember, I did insist U.S. programs operate in those areas. In terms of discretionary programmatic support from the Embassy, we had the Democracy Small Grant Fund and so forth. Right at the top of that list were programs that built cultural connectivity and ethnic relations and community relations between Estonians and ethnic Russians. We did that to give them support but also to indicate our priorities to Estonian authorities. I worked personally very closely with the President of Estonia, the Prime Minister of Estonia, the Foreign Minister of Estonia on the need for Estonia to give a stronger focus to this issue and to undertake common-sense initiatives - within their legal structure, which was fully consistent with Western norms - to go beyond the bare minimum and to take common-sense initiatives that made it easier for these communities to relate to each other and made it easier for Russians to live with some sense of contentment and satisfaction in Estonia. But there's a real historical legacy here. It's not going to happen in a year or two, but it can happen in a generation. I think it's too late for people in their 50s and 60s. You know, you have to put yourself in the position of the ethnic Russians. They weren't, for the most part, born in Estonia. They were transported there by Stalin after World War II to man or to be the labor for these huge Soviet-style industrial and chemical projects built on the base of Estonian oil shale. They came to Estonia at the height of the Soviet empire. They never learned a word of Estonian. They expected Estonians to speak Russian to them, even though they were in Estonia. They were the top dogs. The Communist Party organizations ran everything, decided everything. They were on top of the world, at least the world that existed in that little region. Now all of a sudden that's all gone, and there's a new world and they're not on top any more. The Communist Party means nothing; in fact, it's discredited. If you speak Russian, that's fine, but no Estonian is going to speak it to you. Why don't you speak Estonian? You've lived here for 40 years, but you haven't learned it. That generation isn't going to make the adjustment. Nothing in their life experience - not their education, not at home, not in the community - has ever prepared them to live in a democratic, market-oriented Estonia. These are words that are mind-boggling to them, yet we think democratic, market-oriented, independent Estonia are positive words, but for them they're frightening words. So psychologically the older generation is just going to have to be allowed, in some reasonable comfort, to fade off the scene, but there's no reason why their children and grandchildren can't be fully integrated into all of the rights and opportunities of an Estonia that is growing very rapidly and that is moving toward membership in the European Union. So that's where the targeting, in our view, should be, and we worked very hard with Estonian authorities to get them to try to do a lot more to strengthen the process of integration and to ease the kind of bureaucratic and legal barriers to integration in Estonia.

Q: How about schools?

TAYLOR: Each community has their own schools.

Q: At least are the Russian schools teaching Estonian?

TAYLOR: No, they should be, and this is the point, how you solve it in a generation, because knowledge of the Estonian language is a citizenship requirement. The older generation is never going to be able to. They haven't learned anything in 40 years, and they're too old to learn it. But the younger generation can pick up a reasonable level immediately. They can't pick it up on the streets because the Russians all live together, so the street language where they live is Russian, as well as at home and in the school. So they need to pick it up in the school, and this is where we worked again with the Estonian authorities to try to make them understand the importance of training and motivating a sufficient number of Estonian teachers to staff all of those schools. This was in the self-interest of everybody looking out a generation, that we remove this problem of language proficiency in terms of citizenship, so these were the kinds of things that the Embassy was extremely active in.

Q: Did you get anywhere with getting this very basic thing of promoting the teaching of Estonian in Russian schools?

TAYLOR: Sure, but again, this is a situation in which the Estonians are going to have to understand- (end of tape)

Q: Here, Estonia, in one way or another, has been around considerably longer than the United States of America -

TAYLOR: Well, not as a country, but as a culture it has been thousands and thousands of years on that ground.

Q: When the Taylors were painting themselves blue...

TAYLOR: That's right.

Q: So I would think it would be awkward for essentially a very sophisticated people to be telling them how to manage their own country, that it would be very apparent to an American, would it not?

TAYLOR: One of the things we tried to do was not to tell them how to manage their own country. I mean, the approach that we took in this area was not to tell them how to manage their own country and not to do it for them, but to resist the temptation to pile in an international presence in these areas that was doing this, but rather to find those Estonians, those leaders, those organizations and those communities who themselves had come to understand the importance of this and to work with them to give them more strength, so that when we saw leadership, we followed it, and when we saw organizations that said, "We want to do this on the ground," we supported it, trying to help them build critical mass for success. Now again, it's a situation in which there are a lot of priorities and limited resources, and

these groups and these leaders have to be successful in balancing all of them off and keeping their own authority and their own credibility. I think on the margin we certainly made a lot of good progress by supporting their leadership, by strengthening their organizations and institutions that were trying to do the right thing, but it is a very difficult and long-term process.

Q: You're saying that the Estonians, at least on the outside, were a rather introverted group, but how about on the Russian side? Were there leaders that were developing out of that who understood the situation? Was there a beginning of a mating process?

TAYLOR: There were some good Russian leaders who did step forward, but again, the critical element is the youth, and I think the youth, frankly, is still up for grabs. But there still is one overriding advantage that Estonia has in that, and that is that every Russian, whether they're 65 or whether they're 15, knows that conditions in Estonia are so much better for them than conditions in Russia, that even if they feel discriminated against or second-class in Estonia, they are living better and they have many more opportunities by living in Estonia. And particularly the young people know that one aspect of this is enormously important and you don't want to rock this boat too hard, and that is Estonia is on its way to Brussels, in a figurative, metaphorical sense. It is becoming - it will become in the lifetime of these young Russians - fully European, a member of the European Community, and that means that those young Russians will be European. Across the River, across the Narva river in Russia, their *grandchildren* won't be European. This is a huge advantage that accrues to everybody who lives there, and it's one of the reasons the younger Russians, even though they don't care much for Estonians and Estonia... And I still have a question mark. If that was all it is, I think it would be very much up for grabs, but they know they can ride Estonia to Brussels and they can become fully European. This is a tremendous advantage in terms of encouraging young people not to rock the boat too much.

Q: Well, were there Estonian nationalists who were pounding the drums trying to create divisions as some of the politicians in Russia were doing?

TAYLOR: Not too much any more. They were more vocal in the early days, sort of seeking some sort of accounting for the past and I think hoping, sometimes openly, that maybe all the Russians could be deported or something and Estonia could be purely Estonian. You know, that's just unrealistic, and their day, if it had ever come, had come and gone by the time I got there. They're still around, but they're widely regarded as way off on the fringe, and they don't exercise much political power in Estonia now. But I think this issue is manageable in a positive way if the Estonians will only give a little bit more leadership to make it a little higher priority and if Russia does not - either because it does not want to or because the international community does not allow it - if Russia does not manipulate and stir up that situation to cause problems that otherwise would not exist.

Q: I would have thought that this would have been a country where particularly the Swedes and the Finns and perhaps the Germans, too, would have been really interested in working on development roles.

TAYLOR: The Germans are obsessed with East Germany and Central Europe, and have been quite a disappointment to the Estonians, because given the Baltic German heritage there, historically I think they had hoped and expected for a stronger degree of interest from Germany, but you can bet your bottom dollar the Swedes, Finns, and Danes are extraordinarily active there in terms of promoting development. In fact, Estonians deserve credit for their own success, and they've been the shining star, not just of the Baltic States, but of all of the societies that have emerged now reconstituted and independent from the Rubble of the Soviet empire. But some of that success is connected to the tremendous amount of support and continuing support that comes from Sweden, Finland, and Denmark to Estonia in particular, especially Finland!

Q: Well, were you working in harness, more or less, with the Swedes, Finns, and Danes about directing this? I mean, did they have the same feeling about, say, the Russian minority and making sure that it rose along with the Estonians?

TAYLOR: Oh, yes. That was a common theme in the international community. You mentioned earlier that I had an agenda. I'll just tell you what it was. The first I mentioned, which was helping to build and to shape a rapidly growing U.S. presence into one that was a 21st-century embassy and not a Cold-War embassy. The second was to phase out our foreign assistance to Estonia in a way that allowed both sides to feel good about the program and to treat it not as a close-out, as it had been described when I was appointed (that decision had already been made and I couldn't do much about that), but rather as a graduation, and to feel good in the sense that we had contributed to their ability to graduate and they could feel good that they had graduated, they had made it. The third was to reorient Estonian foreign policy in a way that would give them a greater chance of reaching a border settlement and a normalization with Russia. And the fourth was to reorient Estonian foreign policy in a way that would help them understand that they were unlikely to be in the first round of NATO enlargement and that they shouldn't be disappointed by that but, rather, seek further opportunities to strengthen their integration into Western political and security institutions and that NATO membership, important as they might think it is, was only one means to a much broader end. And then the last one was sort of a micro-, but it was very important to me, and that was to try to obtain a suitable residence for the American ambassador. You know, we all began six years ago. Every Western country coming into a newly independent Estonia began in a hotel room. But six years have gone by, and when I arrived there, virtually every other Western embassy had an ambassadorial residence that was truly that and that said something symbolically to Americans, but particularly to the region, to Estonians and others, that this country was here to stay and they thought Estonia was a real country. We did not. For some reason, we were at the tail end, and there's no reason for the most important country to Estonia to be sending a signal that maybe the Ambassador is living in a transit billet while the United States decides whether to stay or go. And so I thought for a lot of very good reasons, ranging from - frankly - my own comfort and ability to do my job in a representational and a promotional sense, but all the way to the symbolic importance of the statement we made by having a residence, that I had to take that on as a priority as well.

So there it was: building an embassy; phasing out the aid program in a kind of unique, creative, positive way; trying to help Estonia turn its foreign policy with Russia into

constructive engagement instead of the kind of hostile confrontation it was when I arrived; and trying to help Estonia understand that NATO membership, important as it might seem, was only a means to an end and that they shouldn't be so disappointed that they failed to try to build new opportunities to integrate into the West; and then finally to focus on obtaining a residence that was appropriate for an American ambassador.

Q: What about the borders of Estonia with Latvia and Russia? Are these pretty well established?

TAYLOR: With Latvia it was very well established. With Russia it's still not. Trying to nurture a border agreement between Estonia and Russia was part of one of these priorities, this reorientation toward positive engagement. When I arrived there the Estonian negotiating position was that Russia must recognize that the Estonian state began with the Treaty of Tartu in the 1920s, as part of the border settlement. They weren't interested in changing the actual physical border, but they wanted the agreement to contain a legitimization of their birth certificate in the 1920s. The Russians were unwilling to do that. The Russians still argue that the incorporation of the Baltic States into the Soviet Union in the 1940s was a legitimate act and not an illegitimate act, and they did not want to date the legitimacy of the current political systems from the 1920s. Now over time, and with the encouragement of the United States government, the Estonians dropped their demand about the Treaty of Tartu, but that proved to be insufficient to bring Russia to signing the agreement, even though Russia had been saying all along that that was the reason that they would not sign. But the Estonians got to the point where they simply surrendered. They surprisingly went to a meeting, surprisingly to the Russians (they had worked it out with us), and said we agree to all your positions, so let's sign. It wasn't good enough; it still hasn't been signed. The Russians decided there were other problems.

Q: What about the cooperation between your embassy and that in Moscow? Was there pretty much on the same wavelength, or localitis took over?

TAYLOR: Well, I'm sure they thought I had localitis, and I was sure they did. I would say when Tom Pickering was there it was very good. Tom was excellent on the big issues and always handled issues with professional excellence. But I'll tell you, in my view - and you'll get a different view from my colleagues in Moscow and in the Department who worked on Russia - but in my view, American interests in the Baltic States are threatened mainly by two things. The first is that we lose sight of them. They're so small, and we have other priorities, and so we sort of forget about them until it's too late. And the second is that we don't understand that our own bureaucratic system that has five hundred people working on Russia for every one working on Estonia has a certain bureaucratic weight and momentum to it that can sideswipe our policies in the Baltics. And what I found was that there were too many people, in Washington as well as in Moscow in our embassy, who would be aware of what the Estonians said about an issue - for example, the treatment of ethnic Russians in Estonia - and they'd be aware of what the Russians said about it, and then they would wring their hands and say, well, we don't know, so we'll split the difference. This is splitting the difference between a truth and a lie, and it's not a good basis for American foreign policy, at least for a successful policy. And they would ignore the fact that we weren't splitting the

difference. We lived in Estonia. We didn't accept what the Estonians told us. We went and saw. We worked with the Russians, and so did every other Western embassy, and so did the OSCE [Organization for Security and Cooperation in Europe], which has a presence in Estonia. And so did a variety of NGOs [non-governmental organizations], who were working on these issues in those localities every day. And all of us who did that saw it the same way. So we felt that splitting the difference, when you have an embassy and when you have an international presence, when you have an OSCE presence, that splitting the difference between what the Estonians said and what the Russians said was really not an appropriate basis for making American foreign policy. I should say things did change. There were some leadership changes in Washington and events in Russia in 1998 introduced more realism into our regional policy. We have it right now, but it was rocky for a while.

Q: I would have thought, looking at this, that the big city there would be St. Petersburg.

TAYLOR: Oh, it is. It's huge.

Q: I mean, were there solid lines of communication? I mean, was this where people would go?

TAYLOR: Oh, no. I mean, you have to understand that when you go to the... And this is interesting in a number of ways, because it is one of the threats to stability in the region that needs to be come to grips with by international policy, in my view, but when you cross the border from Estonia into Russia - you know, it takes a few yards to cross a border; there is a line, and on one side of it there is Estonia and on the other side there is Russia - when you cross that border, you are in every way - *in every way* - literally transforming, moving, from the late 20th century to the late 19th century. One of the great problems with the "oldthink" in American foreign policy is that the Baltic States have always existed in the shadow of great powers - of Sweden, of Poland, of Germany, for the last several hundred years of Russia - and that people who have worked on especially Russia in our system for a long time have that natural perspective on them. But with the end of the Cold War and with the dramatic changes that have occurred, both in the Baltic States and in Russia, the truth is that the Baltic States, and especially Estonia, have become the light-giving source, small as they are, and the policy job is to extend that light of market reform and market success, of political reform and political success, of social reform and social success, from the Baltic States east, and to try to help transform, by doing so, those adjacent sections of Russia and perhaps reach all the way to Petersburg. Anything that Petersburg sends to the Baltics now is something that the Baltics don't need. It has to go the other way. Now if you look 50 years out, of course there's a natural size and density issue here that should reassert itself, but in this transitional phase, it is really policies that try to move the success of the Baltic States east that are likely to be most successful in life.

Q: Was there any spillover of the massive breakdown of society, of industry, corruption, gangs, the whole thing in Russia? Did that spill over into Estonia?

TAYLOR: It certainly spilled over into Estonia in the early years, especially in terms of organized criminal activity and *Mafioso* groups and so forth. Estonia's gotten it under better control in the last few years. One of the agencies that I did bring in to the Embassy and I

think has been very useful is the FBI, which now has a regional office in our Embassy in Tallinn. Now although the Estonians argue that they have eliminated these Russian groups and these major criminal organizations, I have to tell you I don't buy that. I hope it's true, but I think what's happened is that criminality in Estonia has developed as Estonia has developed, and in the rough-and-tumble early days, you could see the *Mafioso* types with their cars and their guns and behaving like they did in Chicago in the 20s and 30s. Estonia is moving very rapidly into a modern economy, and I think the criminal groups still exist; I think they're wearing coats and ties and they're at their computers. They have just stepped up several notches as Estonia has stepped up several notches. So that's something we need to keep our eye on, in my view, because part of the success of Estonia really is associated with this banking sector and service sector, and we do need to be careful that this doesn't become a major center of international money-laundering and illegal transfers and so forth. Even while people say there's no more criminal activity here, just look around.

Q: Well, in the Baltic States, what's the pecking order between Lithuania, Latvia, and Estonia as far as success and all, and be objective?

TAYLOR: Well, you know, these are three very different countries, and that is an issue in and of itself because we call them the Baltic States, and I think politically in the United States they're more powerful when they go under that umbrella, but in reality, they are three different languages, three different cultures, different religions, different histories, different values. They don't have very much in common except geography. Now I don't think there's any doubt that Estonia is significantly ahead on the economic front, and its selection as potential first-wave entry into EU enlargement is an indication that that judgment is widely shared. Estonian leadership "seized the moment" in 1992-1993 and made remarkable policy reforms and initiatives on the economic front. Beyond that, I wouldn't know how to rate them. I suspect that, in a military sense, for example, Estonia might be the least of those three capable of contributing significantly to, say, NATO or an international security system. So there's a lot of different standards and different measures, but in the kind of the classical economic measures, I think it's pretty clear that Estonia has gone out ahead. But Latvia and Lithuania are catching up now.

Q: What about the Holocaust? I used to be a refugee relief officer and dealt with people coming out of camps around, and if I recall, the Estonians were actually - all the Baltic States - the ethnic ones there ran some of the nastiest camps, particularly against the Jews but with others. Was this something that you got involved in?

TAYLOR: Sure. As you can see by recent news accounts of developments in Latvia, history weighs heavily on all of these societies, and the World War II experience is something that weighs extremely heavily. People try to reinvent it; they try to forget it; they try to distort it. The best that can be said is that of a lot of Estonians, they will legitimately say that history dealt them a cruel hand, that if you wanted to fight for Estonia, you either had to fight for Stalin or you had to fight for Hitler. There wasn't any other choice. Or you could run away and not fight, but that was your choice, and once you did that you were trapped in a system that was doing a lot of other things that may or may not have been to your liking. The worst that can be said is just what you said: that there were an awful lot of willing accomplices to

the worst aspects of both the Soviet and the Nazi systems. Now Estonia had a very small pre-war Jewish population, unlike Lithuania and Latvia. There were only about 10,000 Jews in Estonia prior to the war, and they were relatively well integrated by standards, but they were exterminated, either there in Estonia or sent somewhere else. There were, then, a couple of camps. The Nazis established a couple of camps in Estonia in which Jews from other parts of Europe were brought in and exterminated. The Russians built a monument out near Paldiski, about 40 minutes outside of Tallinn, at one of those camps, and a new monument was raised in 1994-95 by the newly independent Estonian government to the same thing. There's still a small Jewish community in Estonia now, a few hundred people. We had good relations with it, and we had good relations with international American Jewish groups who were concerned about the legacy of World War II and how countries were treating issues associated with restitution and property and so forth. But there's no doubt that horrible things happened in Estonia as they happened elsewhere and that, although people would like to forget it and blame it all on Nazis or Germans, Nazis and Germans had a lot of willing collaborators in Estonia as elsewhere.

Q: Could you describe the government you're dealing with, some of the personalities and how one dealt with the Estonian government?

TAYLOR: Well, it was a very easy government to deal with at a certain level, because you could divide (for convenience's sake - they would never divide themselves that way), but it was easy for an outsider like myself to divide Estonian leadership into those that had a world view and had a world awareness and those who thought the world began and ended in Estonia. And the latter group was very hard to deal with on anything, frankly. It was a real problem. The former group, though, was extraordinarily easy to deal with. They all spoke four or five languages; they all had traveled extensively; they all had advanced degrees by Western standards; and they were all determined to reintegrate Estonia into the Western democratic community of nations. And so the Western embassies - and foremost among them the United States Embassy - were natural contacts for them as much as they were for us, and they were as interested in facilitating, nurturing and developing the relationship as we were. So it was with many of the key Estonian leaders. I would get a call at midnight or so for the President to come on over to the palace or to the house, and off I would go, and they would show up at my home, and it was just sort of like being almost friends in a local community here in the United States. That was the ease of the contact and the relationship.

Q: Were there any major issues during this time. I mean, were you hit? What was it?

TAYLOR: Well, some of the ones I mentioned were the Russia, the NATO, types of things, the situation of ethnic Russians living in Estonia - all these things were chronic, major things that were worked on over a long period of time. But right away, when I arrived, we were hit, both myself personally as well as many others, but also Estonia - we were all traumatized by the tragic death of Bob Frazier. Bob had been the first ambassador in Estonia; I was the second. And I thought the world of Bob, as did many other people who knew him, and of course, Estonia had a special place in its heart for Bob as the first American ambassador.

Q: Can you explain what happened?

TAYLOR: Yes, Bob was tragically killed in an automobile accident on a winding road in Bosnia, and dealing with that, the feelings that the country had, that we all had, that the FSN's had, that the Estonian leadership had was something that we just had to take on right away and do right, and I think we did. It sounds very personalized and small in a way, but it was quite a shock to us all and an emotional thing for us all and something that we had to handle in an appropriate and sensitive way if we were going to be proud of ourselves, all of us as we moved forward. And I think we did.

Q: What was the Estonian view of events in Bosnia, because this was the whole development in the area, break up different ethnic groups and all that, and they must have taken a much harder look at it than, say, one of the Western countries?

TAYLOR: The Estonian view of the events in Bosnia really boils down to something much more basic. Estonia wants strong U.S. leadership. Estonia sees its own future associated with that more than anything else, and Estonia wants it and will always support it, regardless of how it might differ analytically about events on the ground. And so Estonia welcomed the more assertive U.S. role that emerged in the mid-1990s and immediately volunteered to do whatever it could to support us.

Q: Well, did you find, when you first went out there, the Clinton Administration was beginning to find its feet, and I can't remember exactly how you would time it, but maybe by '95 it wasn't looking too "ept" in the field of foreign affairs. I mean Clinton obviously was not focused on doing things in the foreign affairs field, and did you notice that, and did you notice a change when we decided to say "the hell with this" in Bosnia and also in Haiti and we put troops in and we started doing things?

TAYLOR: Well, absolutely. Again, the Estonians want that U.S. leadership and they're not going to second-guess it. They just want strong U.S. leadership. They're going to support it - for selfish reasons, because they believe, they're whole history and geography tells them that regardless of circumstances today, there will come a time again when push comes to shove in that part of the region, and their whole freedom will be put under a cloud. And when that happens, as they think it will, some day in some way, people in Moscow are not going to care what people in Helsinki or Bonn or London or Oslo think. They're only going to care what people in Washington think. So that is something the Estonians have fixed very clearly. That is why the Estonians want in NATO, frankly, and not in WEU [Western European Union]. They want a Transatlantic security relationship; they do not want a European security relationship alone.

Now that being said, let me also say that, while I agree in general about your characterization of the first years of the Clinton Administration as more or less finding their ways in foreign policy and maybe in other things as well, that was, with respect to the Baltics (as opposed to Bosnia or Somalia or somewhere else) not the case. The President had already established quite a positive involvement and legacy in the Baltics. He had visited Riga in 1994, was a smashing success, a smashing symbolic and substantive success. The Baltic States achieved their independence in '91 and '92, but Russian troops did not leave until '94, and there was a

question all the way up to the day they left as to whether they would really leave. And I think the Baltic leaders rightly understand that without President Clinton's personal involvement in that question, the Russians probably would not have left. So we have that. Vice President Gore had gone to the region. Vice President Gore was in Estonia in March or April, I forget which, of 1995, so he had personally taken a role out there. So American foreign policy in this part of the world was actually seen as a success at that point. It was not finding its legs; it was on sound ground.

Q: Did you have any conversations with the Estonian leadership concerning sort of the Western European economic union and the United States with NATO? I mean, were you being told sort of face to face, well, Western Europe hasn't really gotten its act together, it really is not a force that we can depend on, where the United States? Did you get that from them?

TAYLOR: From the Estonians?

Q: Yes.

TAYLOR: Not so directly. They didn't say it in those terms. But I think the job that I tried to do was to take whatever they were saying, and it certainly came from the same sentiments you just talked about, and try to build on it and enlarge it and help them understand that their security was part of a broad and long-term process of reconnecting to Western institutions, big and small, across a full spectrum of economic, political, security, military, social, cultural, educational relationships. It was not one issue. It was not NATO, much as they had hoped that it would be and could be. But the fact that it wouldn't be NATO, at least in the first round, in no way jeopardized this wider process of reintegration and reconnecting. And if they pursued that, they would be building their security in important ways. And I think we were successful over time in helping them see their security as a process rather than as an event. When I went there they saw it as an event, the date they got in NATO. And I think now, as a result of some time and some thinking and a lot of intervening developments, they do see it as a process by which they continue over time to strengthen their connection across this full spectrum of relationships.

Q: What about country ties with the United States? Were Estonian students headed off to the United States to go to MIT and Chicago and other places for academic training?

TAYLOR: Yes, Estonians do come to the United States as well as to other Western countries for training and for education. Again, that was a big priority for me at the Embassy, to find ways to strengthen, and to create where there didn't exist, new training and new educational links between our two countries because in a country the size of Estonia, there will always be an elite of a few hundred people who run the country - that's inevitable. It would be different people, depending on the system, you know, but that's an inevitability. And I was sure that if we had an aggressive training and educational development in our relationship that we could actually train and educate the next generation of Estonian leadership and that this would work to our advantage as well as to theirs, but certainly to our advantage over the generation ahead. So we did an awful lot to encourage that training and that education, and in the areas

in which we had more influence, such as admission to our service academies, for example, the Estonians have the best per capita (they're a very small country) ratio of attendance of any foreign country in U.S. service academies. That's not by accident. We worked very hard to make sure the Estonians are getting into all of these school.

Q: With the arrows in your particular quiver, were you able to get schools like MIT and, you know, the major schools in the United States to look favorably on Estonia, or was money a problem?

TAYLOR: Well, money is always a problem with Estonians, you know, for all their economic success, and it has been dramatic, certainly on a relative basis, the per capita income in Estonia is still about \$300 a month. So, you know, we're starting from a very low base. Now the past few years, given the fluidity and flexibility of these transitional situations, there have been some families that have become millionaires and more literally overnight. Now they, of course, can afford what they wish, but for most Estonians there really does need to be some sort of financial assistance and support mechanism. But they are a culture that has always valued education. You know, in the 1890s, Estonians had literally a literacy rate in the 90 percent, at a time when the United States had not half that probably. And so it is a culture that expects to make sacrifices and has a commitment to education, almost just naturally, and Estonia is also a country where the leadership has a keen awareness that, given its size and given its location, its role is as part of the global system. It cannot be an island unto itself. And so there is a commitment to learning foreign languages, and there is a commitment to travel and studying abroad. There are conflicting forces bearing on the ability of Estonians, how fast and how many can move into the U.S. or any foreign educational system, but given all of those things, I think it's remarkable how well they're doing.

Q: Did you find as we talk about this in the 1990s we're going through a tremendous revolution, and we're talking about the Internet communications and that sort of thing which will be old hat when somebody reads this a couple of years from now. But we're really talking about being at the very beginning of this. Did you see a sort of willingness and interest in turning to this new form of communication so that you were part of the global -

TAYLOR: Estonia has one of, if not the highest per capita utilization of the Internet in Europe - an extraordinary thing of a society that's been where it has for the last 50 years that has a per capita income of about \$300 a month and in which the ownership of individual computers is very limited. So its commitment to education, looking historically, has been to the sciences, and it is a society that is very skilled in sciences and takes almost naturally to technology changes. And it's a society that has a very good capability in software programming already, for example. And then there's leadership for that. I came back with the President of Estonia and met with Vice President Gore in October of 1995, in which the Estonian President asked for the Vice President's assistance in encouraging American industry to place the Internet in every Estonian classroom, and that project has gone forward. It's called the "Tiger's Leap" in Estonia, and it is very successful. The Vice President, in turn, encouraged Estonia to become part of the Globe system, and the Estonians immediately agreed and have now signed their schools on to the Globe system. And so yes, in every way, this is an extraordinary commitment to using the new technology and being part of the new

technology as a subset of their broader reintegration into the West, their commitment to free market principles and their commitment to being economically successful.

Q: When you say Estonians, what about - in the Internet, school systems, and so forth - what about the Russians? Are they part of that?

TAYLOR: The schools are part of it, right. The Russian schools in Estonia are part of it, because it was “every school in Estonia.”

Q: Did you find the Russians, the younger generation, were they a new breed?

TAYLOR: They certainly are a new breed, and they’re also computer-literate; they’re also looking west as well as east, because they have families in the east the way the Estonians do not, but they have a whole new attitude from, again, they weren’t part of the communist system; they didn’t depend on it the way their fathers and grandfathers and grandmothers did, and so yes, they’re a totally new breed.

Q: What about the Embassy as far as one of your priorities was to make it a post-Cold- War embassy? By the time you left, how was it structured that might be different than sort of a traditional embassy?

TAYLOR: Well, again, I think the answer to that question lies less in organizational names than it does in understanding the activities and the programs and the purposes of the mission as a whole, and what we tried to do - and you can do it in a small embassy that’s brand new, where you don’t inherit a traditional modus operandi and all of the baggage that comes with that that’s decades and decades old - everybody who gets off the plane is brand new there and has sort of got to move forward without necessarily having anything to build on - and so I spent a lot of effort trying to build a real embassy team, to have in practice what we talk about back here as being the theory of an embassy, and that meant, and in a small embassy we could do it, that I sat with the leaders of all the agencies and sometimes all the staff, and we sat there together as America’s team and tried to use the skills and- (end of tape)

Q: You were saying that the country team-

TAYLOR: Yes, to try to function as one team using the skills and abilities of each of the people and the agencies they represented to strengthen the programs and the activities of the Embassy that were focused on these post-Cold-War, 21st-century-agenda items. And that, I think, is the distinguishing feature of what we tried to do in differentiating ourselves from a Cold-War embassy.

Q: Did you find yourself dealing with the other great power, the European Bureau [EUR]? Did you find you were kind of far down in the feeding order and in a way you could almost do your own thing?

TAYLOR: Yes, I think the Department has been through such a series of resource cutbacks and had so many other priorities. At that time the European Bureau, for example, had Bosnia

on its plate. But the leadership had precious little time for much else, and certainly not much time for us. So we did work a lot on our own, and there were a lot of advantages to that, as you can imagine. There were some disadvantages because in a situation where you are new and growing and in which you are on the front lines, sometimes you need a little bit of help in Washington in order to get things done. So yes, I think you hit the nail on the head.

Q: Did you have visits from overly enthusiastic or maybe just plain enthusiastic Estonian-Americans who wanted to go in and change everything and turn it into another America or something like that?

TAYLOR: Well, that period was largely over. We did have a lot of visits from Estonian-Americans. In the first couple of years of Estonian independence, the Estonian diaspora - not just from the U.S. but from all over the world - flooded back in there, some of them to try to make a difference, some of them to try to make a fast buck, some of them to try to remake Estonia in the image that they had in their minds but which was impossible. But a lot of sorting out had gone on already, and some of the crazies and the ones that weren't going to be successful had departed, and the Estonians who had been there throughout the Soviet period had kind of reasserted themselves, with a few of the better-qualified and really committed representatives of the diaspora scattered around in important positions, but clearly not remaking the country in their image, rather working for the country's leadership.

Now we also had a lot of official visitors, and I'll tell you, although some of my staff occasionally grew restive, I encouraged and welcomed all visitors because I saw each one as an opportunity to make a new friend for what we were doing there and building an understanding of our role and our importance. And I wanted to make sure that every American who came to the Embassy and came to Estonia in some capacity that we dealt with left with that higher understanding and a supporter of the American government's role in the region and in the country. So I saw each of these visits as a unique opportunity to help build the future we were all working toward, and not as kind of the nuisance and problem that, if you saw it from a different perspective, it might appear.

Q: Well, if you're in Paris or something, you know they're interested in shopping and that sort of thing, and it's a pain in the ass. But if you're in a small place, this is your unique good time to get them and corral them and put them in a corner and tell them what you're doing.

TAYLOR: Right. And take them around the country and show them. Right. A lot of the support that we got in the future came from people who had been there and seen it and understood it for themselves.

Q: Was there the equivalent of a Baltic League of American ambassadors with the Latvian, Lithuanian men or women in those places? Did you get together much?

TAYLOR: Yes, the three of us got together about three times a year, and then a wider ring, including our colleagues from Finland, Sweden, Norway, and Denmark, got together about once a year.

Q: *Did you find this useful?*

TAYLOR: It's essential. In fact, we should have done more of it. In part, I'll tell you - again, I don't want to be overly critical - but this sort of thing helped compensate for the lack of interest and leadership from Washington on these issues. You just had to have somebody occasionally at that level to talk to and to sort through some of these issues, especially issues that were regional and international in their effects. And so these meetings were very helpful, and then particularly with my colleague, the U.S. ambassador in Latvia, but also in Lithuania, we were on the phone an awful lot to each other discussing things, and there were some issues that were of such importance, we thought, that we would draft one cable and send it in from all three of us - it would come from all three of us - in an effort to give it greater weight and greater power in the system.

Q: *I assume - I think I've heard it - a sizable number of Estonians during the Stalin times were sent off to Siberia and never came back. Did this poison the well a lot?*

TAYLOR: Well, it's a legacy that Estonians remember. There is a Remembrance Day for, I guess it was, the 1948 evacuation of Estonians to Siberia, but you know, there is a legacy here. This is one of the most difficult things to deal with looking forward, to understand that there are legacies that need to be taken into consideration in making judgments about how to move forward and at what pace and in what ways. Some of the legacies are political; some are economic; some are environmental; many are psychological. And you've got to think carefully through them. Virtually every Estonian family - it's a small country - virtually every Estonian family has some recent family member who was either just taken out and summarily shot or who was taken out and then shipped to Siberia. Sometimes whole families and whole villages disappeared, literally overnight. Now that all plays a role, but I'll tell you, the Estonian character and the Estonian culture is not one that seeks revenge. It doesn't forget this - it remembers it; it has ceremonies about it and so forth - but I never encountered in Estonia a hatred of Russians. I did encounter a hatred of Russia. I never encountered fear of Russians. I did encounter fear of Russia. They do not personalize these things to people who had nothing to do with them. And it relates also to this so-called ethnic conflict in Estonia. There are no - and I'm not talking about a few; I'm talking about *no* - there are no ethnic crimes in Estonia. There are no instances of Estonians killing Russians because they're Russians or *vice versa* or fighting with them or bullying them. This doesn't occur. It's not in the system. So yes, there are these legacies. Part of it is that it's a legacy of Communism. Yes, there are these legacies. Part of it is Russia. But I have never found it to be personalized against others, you know, individuals, in my experience, which is quite remarkable-

Q: *It really is.*

TAYLOR: -because in our system, you can imagine, in our culture, if we were dealing now, being on top for the first time in 50 years with groups of people who had taken my mom and dad out and shot them, I mean, I'm sorry, but we'd have more of a problem here than they seem to have there.

Q: And we're both veterans of service in Yugoslavia. We don't have to say any more about that.

TAYLOR: It's totally different in the Baltics and we need to keep it that way. If that genie gets out of the bottle in the Baltics, it would threaten the security of all Europe and not just these three small countries.

Q: Well, was there anything else that we should cover, do you think, on this before you left?

TAYLOR: I don't think so. I think we could go into greater depth if you wanted, but I think we've hit the highlights of the thing.

End of Reader