

URUGUAY

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JOHN T. FISHBURN
Labor Attaché
Montevideo (1944-1945)

As one of the Foreign Service's first labor attachés, Mr. John T. Fishburn assumed posts in Argentina and Brazil. Prior to his retirement in 1970, Mr. Fishburn additionally served in various administrative roles within the Department of State related to international labor policies and organizations. Mr. Fishburn was interviewed by James Shea in 1991.

FISHBURN: I continued in that task in Buenos Aires until the former government of Argentina had been overthrown by a military junta and a new administration established to replace the former government. There was, for a space of a very few months, a labor minister who was very friendly and pro-United States-whose name I haven't yet been able to remember-under the Government which overthrew in turn the Castillo Government which had existed previously. At any rate after a few months of having this friendly labor minister, Juan Domingo Peron decided that this was the field that he was going to utilize. He had been so closely tied to the Germans rather than the United States during the war and so unfriendly to the United States, that it didn't seem likely that we would serve any useful purpose at all trying to work with Peron in the labor field. As a result I asked if I could be transferred across the river to Montevideo as our Labor Attaché to Uruguay. That was approved in Washington and after a year and a half in Argentina I transferred about the middle of 1944 to Montevideo where I served as Labor Attaché for approximately a year. I then returned to the United States to end that first temporary activity of mine as part of the labor function in what was then the Foreign Service Auxiliary and of which I was a member during that short period of the war. Almost immediately I came back into the labor field in the Department of State working on Latin America under Otis Mulliken. After several years during which I served as Labor Advisor to the Inter-American Section of the State Department. In October 1957, I returned as a member of the full Foreign Service as Labor Attaché in Rio de Janeiro for a period of six years, departing on home leave in October 1963.

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

FISHBURN: In Buenos Aires at that time the C.G.T. in Buenos Aires and Argentina was controlled by a combination of the Communists and non-Communists many of whom were socialists. The Communists did have sort of the upper hand in a formal sense at the central headquarters. However, almost from the time I began operating there, I found separate and anti-Communist labor groups, the most notable of which was the Union of Municipal Workers in

Buenos Aires under Francisco Perez Leiros. Although Francisco had been a member of the central C.G.T. while a Communist had been President, he was himself clearly inclined toward the anti-Communist approach. I found working with him pleasant, in fact Mrs. Fishburn and I spent ten days at the vacation colony of the Municipal Workers Union in Sal se Puedes, Argentina, during 1944; this was a very pleasant vacation, and Perez Leiros later turned out to be a stalwart supporter of the AFL-CIO in the inter-American labor field.

C. CONRAD MANLEY
Information Officer, USIA
Montevideo (1955-1958)

C. Conrad Manley was born in 1912. He began working with the U.S. Information Agency in Montevideo in 1955, followed by posts in Bogota, Miami (in a VOA operation), Mexico City, Khartoum, and Tripoli, for a total of 16 years with USIA. He was interviewed in 1988 by John Hogan.

MANLEY: That is right. I had approximately three to four weeks of orientation and instruction at the Agency in Washington first and then I went to Montevideo in June of 1955.

Q: Does anything stand out in your mind about your period in Montevideo?

MANLEY: Uruguay, at that time, was a very peaceful country. The things that bothered the Uruguayan most, during the period that I was there, until 1958, were soccer scores and the price of wool tops. The Tupamaros and all the guerilla activity came much later.

Q: Well, it sounds like a very good post with which to break into the Agency. What was your next post?

GEORGE W. LANDAU
Commercial Attaché, Economic Section Chief
Montevideo (1957-1962)

Ambassador George W. Landau was born in 1920. He graduated from Pace College 1941 and from New York University in 1942. Ambassador Landau served overseas in the U.S. Army from 1942 to 1947 and joined the State Department in 1957. His posts included Uruguay, Spain, Paraguay, Chile, and Venezuela. He was interviewed March 11, 1991 by Arthur Day.

Q: Mr. Ambassador, we will obviously talk mainly about your posts where you were chief of mission at the latter part of your career, but if there were elements in your earlier career that were interesting we could bring them in.

LANDAU: It might be a good idea Art. There is a progression in my life that goes back to even before I joined the Foreign Service. I spent, like many of my contemporaries, five years in the military. I was drafted as a private and went off to officer candidate school and wound up in military intelligence as a captain. While most of my contemporaries got out when they could, I stayed in the reserve until I retired after 32 years of service in 1975. I mention this particularly because it gave me a certain advantage in subsequent posts where I was assigned to military regimes. The fact that I was a colonel in the Army reserve, sometimes was quite helpful, although the Department in its usual mindlessness was not in favor of this. I remember when I was nominated to Paraguay a very senior officer told me, "I understand you are a reserve officer" and I said, "Yes, I am a colonel in the reserve and I might even get a promotion later on." He said, "You know, Congress takes a very dim view of that; they will think you will mix military with civilian matters." I said, "Well, I hardly think that could have been the case." But he said, "If I were you, I would resign so that if any Congressman or any Senator should ask you at the hearings you could say, 'Yes I was in the reserve, but have resigned my commission.'" I did just that. I sent a letter to the Assistant Chief of Intelligence (ACSI) where I had my mobilization assignment in the Pentagon, and said that I would go off to Paraguay as chief of mission so therefore I regretfully had to resign my commission. That was in 1972. After I got to Paraguay I kept getting news bulletins from ACSI and so finally I wrote them a letter. I said, "I still get your correspondence and you know I have resigned my commission." I got a letter back saying, "No, that letter is not on record, we chose to disregard it". So I stayed in the reserve until 1975 when my mandatory time was up. It goes to show that being in the reserve can sometimes come in very handy as it turned out in my career.

Really everything, as you so well know, is pure chance and not career planning. Career planning simply does not exist except in the minds of the excessive number of personnel people. What happened was that I was in Montevideo for five years first as commercial attaché and then chief of the economic section. During that time Bob Woodward was chief of mission.

Q: *What years were those?*

LANDAU: 1957-62. Bob went on; he left in 1961 to go to Chile for seven weeks and then became assistant secretary, and eventually wound up in Madrid. He liked my style and I certainly liked him very much and admired him, and his wife Virginia. So he told me one day, "If you want to come to Madrid I might have an opening." I immediately agreed and after Bob got to Madrid he dropped me a note saying that much to his surprise he thought he had an opening in the economic section but this did not turn out to be true. The only position was the third one in a six man political section. I immediately told him that I would take it although I had been chief of a section before.

ROBERT F. WOODWARD
Ambassador
Uruguay (1958-1961)

Ambassador Robert F. Woodward was born and raised in Minneapolis, Minnesota. He entered the Foreign Service in 1932. Ambassador Woodward's career included Deputy Chief of Mission positions in Bolivia, Guatemala, Cuba, and Sweden. He was ambassador to Costa Rica, Uruguay, Chile, and Spain. Ambassador Woodward was interviewed by Charles Stuart Kennedy in 1987.

Q: You were then assigned to Uruguay. Had you asked for this, or had this come as a normal assignment?

WOODWARD: Entirely without any participation on my part. Dick Rubottom was at that time the Assistant Secretary in charge of Latin Americans Affairs, and he told me that he'd like very much to recommend me for Uruguay. It was a very attractive post at that time, attractive in the sense that it was a thoroughly democratic country. No one had ever heard of the Tupamaros at that point. So I went there in 1958 and stayed, happily, til 1961.

There I tried to resolve every specific problem we had in relations with Uruguay. We had a couple of rather conspicuous ones when I arrived. One was a countervailing duty that the United States had put on a certain very high-quality type of wool called wool tops, coming from Uruguay, and the countervailing duty was hurting the sale of this product greatly. It was based upon the charge that the Uruguayan Government, with a series of multiple or dual exchange rates, was giving a more favorable exchange rate for the sale of this product than warranted by the home market price. Anyhow, I got that one straightened out. We got the market opened up again for the wool tops. There wasn't any real domestic competition from the United States. This wasn't because these wool imports were hurting the market for domestic wool in the U.S.; the fact was that the high price for wool resulted in the American consumers being deprived of genuine wool which was being steadily supplanted by synthetic fibers.

Q: Was this a problem with the Commerce Department?

WOODWARD: No, it was the Treasury Department. I came back to Washington and I argued with people in the Treasury Department, after presenting a very detailed written argument with facts and Figueres.

At the same time, there was another very serious problem. There were two American packing houses, Swift and Armour, operating in Uruguay, and both of them were having very hard times. They were having a lot of labor difficulties and a lot of trouble getting cattle on the cattle market. The government had a big packing house of its own, and the allegation made to me by the American managers was that they couldn't buy any top-grade cattle in competition with the government packing house. So one thing led to another, and just after I arrived in Uruguay, the Uruguayan Government seized both of these packing plants.

Well, coincidentally, and entirely separately, Vice President Nixon was coming on a visit to Uruguay, just before this happened. I think the seizure happened, if I recall, three days before he came.

Q: The Uruguayan Government knew he was coming. It was a scheduled visit?

WOODWARD: Yes. The packing houses had sent down a man to represent their interests, who was negotiating, to try to get this straightened out. I thought he had some pretty good ideas. I think he was already working on this before they actually seized the plants. In any event, I had reason to believe that this was going to be straightened out, so I recommended to Nixon, when he arrived, that he say only that he was confident that a mutually satisfactory settlement of this dispute could be worked out, and to not make any drastic remonstrances or do anything that might antagonize the Uruguayan authorities. I'll say this, that Vice President Nixon had the most remarkable memory of everything he was briefed on, and was most articulate in making his comments and statements; one could not have asked for more cooperation. He did exactly as I suggested.

Shortly after this, the packing house representative was able to work out a most interesting agreement. The packing houses hadn't made any money for years. So Swift and Armour, which, incidentally, just before this, had combined, at least in their foreign operations, offered to give these plants to the workers if the Uruguayan Government would make a loan to the workers to give them operating capital, and if the American companies could be exempted from the regular legal requirement of payments to employees upon termination of employment. Well, the companies were exempted from the rather large cost of termination pay; the government made the loan; the workers were given the plants. I wonder how they're operating today; maybe these packing plants are still being operated by the workers. The packing houses were reconciled to disposing of their responsibilities and their property in this way.

Q: Was this a fairly common practice of the government taking over property, nationalizing property? Or was this a penalty because Swifts and Armour . . .

WOODWARD: Nationalization was not a common practice, no. This was something pretty unusual for the Uruguayan Government. They were inclined to be pretty fair, on the whole, but so much resentment of sorts had been worked up over these two plants, that they did it in this case. It was an exception. Of course, it's been done in many countries and other industries--for example, the copper companies in Chile.

Q: A packing plant seems to be somewhat removed from the sort of extraction type of natural resource type nationalization. Somehow this became a focus for political unhappiness.

WOODWARD: It did. I think it was partly a rather illogical chain of reasoning, in that the market or the need was falling off. Britain was the great buyer of meat, and there was always a little lurking resentment because of the U.S. hoof-and-mouth disease embargo on fresh meat. We wouldn't take any fresh carcasses. We would buy some canned meat that had been thoroughly boiled. This was in the background. The Uruguayans wanted to stimulate their business with Britain, and they were anxious to get it into Uruguayan hands, and see if they couldn't rebuild the industry a little more. It was, as I say, an exceptional measure.

Q: There were some political problems. Castroism was beginning to take root within the student groups at that time, along with some anti-Americanism. If I recall, there were some problems at the time.

WOODWARD: That was the beginning. There was sympathy for Castro. Castro took over the Cuban Government on January 1, 1959, and this packing house business had all occurred before that. It occurred in 1958. I arrived in Uruguay in April of 1958. Yes, during my time in Uruguay, Castro came on a visit. I happened to be at the airport when he came in. I was meeting my son; he had been over in a boarding school in Buenos Aires, and he was coming over for a visit. A great crowd greeted Castro, and I tried to be inconspicuous, because I didn't know quite what the U.S. Government's attitude at that point was toward Castro, although we were still making an effort to find some kind of working relationship. Phil Bonsal was still U.S. ambassador in Havana and getting absolutely nowhere, because Castro wouldn't even receive him.

The Tupamaro business wasn't at all apparent at that time. The real activity was later and became a very nasty business. They kidnapped the British ambassador and kept him in a cage for over a year; he wrote a book about it.

Q: What you were seeing, then, was incipient sort of general anti-Americanism that was beginning to build up a bit in the university and student body?

WOODWARD: Not really, no. I didn't perceive any anti-Americanism to speak of. There undoubtedly was quite a bit, you know, amongst student groups and whatnot, but no, as a matter of fact, it had never occurred to me there was any real anti-Americanism. We'd always had a very good relationship with the Uruguayan Government. It had become inefficient because of the nine-man presidency. It was a committee presidency, you know. They had one member of the committee named as the protocolar president each year.

Q: Did we have a particular policy toward Uruguay, except to wish them well? Did you go out with instructions to further any policy, or was it more one of keeping good relations?

WOODWARD: One of keeping good relations. The only instructions I had were--well, at that time, there was a standard boilerplate instruction, which was given to every outgoing ambassador, which was to maintain comity and friendship. But I was aware of some specific problems. Particularly the packing house problem had become very widely known, because it had been rankling for a long time. Luckily, that problem was solved fairly early during my stay.

We finally got down to the point where there was one residual problem that was a very knotty one. It was called the "cross-ties" case. The cross-ties case had come about because the Uruguayan National Railways had bought a lot of cross ties in the U.S. made out of southern pine and collected together by a Mississippi entrepreneur, and shipped, I think, from Miami to Uruguay. The National Railways had sent an inspector to the port of shipment in the U.S. to inspect the ties, and he had declared that many of them were defective, and that the railroad wouldn't take delivery until the defective ties were replaced. The great pile of ties accumulated on the wharfs, in Miami or in Galveston. Anyhow, the sellers of the ties, the man who was

getting these together, had a great friend in the United States Senate, and there had been some emphatic complaints to the State Department by this senator from Mississippi.

Q: The two senators that I recall from Mississippi were Stennis and Eastland. They'd been there for a long time.

WOODWARD: It was Senator Eastland who was the great supporter of this man, who had his headquarters in Meridian, Mississippi.

In any event, I finally spent several days and nights putting together what I guess is still a definitive analysis of the "cross-ties problem." This complaint has come up time after time in the years since I left Uruguay in 1961. My gosh, 26 years ago! My report on this is still the bible on the "cross-ties case." What it demonstrates pretty clearly is that defective cross ties were being panned off on the Uruguayan National Railways, and that therefore, they had a good reason not to accept this shipment, which, I guess, rotted on the wharf. They may have made some kind of settlement since, and even taken some of the better ties in the pile that was on the wharf. I had a very fine predecessor in Uruguay; his name was Jefferson Patterson. He apparently had confidence in the legitimacy of Senator Eastland's complaints; he pursued this question so much that I think it really affected his assignment in Uruguay. I got the impression that the Uruguayans were not too unhappy to see him go, because he'd been so vigorous and so courageous in pursuing this ~"cross-ties case." It seems very odd that a case of this kind can affect a man's standing, but I think it's quite possible, because I always felt as though he was not fully appreciated as he should have been.

Q: You mean fully appreciated in the Department of State?

WOODWARD: No, in Uruguay. His wife is still in Washington and very vigorous; she is a great public benefactor. She came from the family that developed the Goodrich Rubber Company, and he came from the family that founded the National Cash Register Company, so they had the wherewithal to be very generous.

I just mention this as a way in which one case, really, affects a man's relationship with a foreign government. Of course, at the same time, there were constant arguments, constant ill feelings over the packing houses, and I think that was an element in Ambassador Patterson's relations because he was vigorous in making official representations on behalf of the American companies .

In any event, I thought that the problems in our relations with Uruguay were either all solved or swept under the rug by the time I left. [Laughter]

Q: You mentioned that the Pattersons came from a great deal of money. Did you find it difficult, coming with your Foreign Service salary and allowances, to replace people who apparently could, at least, entertain in grand style? Did that have any effect on your ability to operate in Uruguay?

WOODWARD: Really, not in the least. No. The representation allowance was more or less a standard one, for entertaining, about \$5,000 a year, with additional amounts for general events such as important official visits. I also, early in the game in Costa Rica, had developed a practice which I assume is used by many other chiefs of diplomatic missions, in that I kept a separate account of all expenditures for what you might call non-representational entertainment--that is, food and lodging and meals for Americans.

Q: We were discussing the question of representation.

WOODWARD: Yes. You asked if there was a problem because of following on the heels of someone who obviously was very well-to-do. It helps to maintain a separate account of expenditures which are not chargeable as representation expenses, because, as you know, representation expenses are only those for entertaining people of the country that you're accredited to, and other foreigners. If you maintain a separate account of the other expenditures which are really business expenditures, mostly relating to individuals or groups who come from the United States and for Americans resident abroad and who require some assistance, and for whom you naturally want to do everything you can to help, this adds up to quite a large sum in a year. The Internal Revenue Service regards these as legitimate business expenses, so I would accumulate a rather large total of expenditures of this type, and this reduced my taxable income. That helped a lot. That enabled one to supplement representation more effectively.

Another method I used in my first post as an ambassador in Costa Rica was to try to find wholesale sources of supply so that I could have, without really worrying about the expense, a reception for any group that came along, and feel that I wasn't going to go broke doing it. One of the first things I discovered was that in Costa Rica, where the favorite drink was Scotch whiskey, that I might be able to buy Scotch on a wholesale basis if I got it directly from a distiller in Scotland, rather than going through the normal channels. We had a little official commissary, and there was a mark-up, and the ambassador was usually the largest user of the commissary Scotch. But I called up a friend in the British legation, the secretary, a helpful man, and I said, "Aren't there some good distillers in Scotland that aren't represented here?" Because I knew that whenever I bought any Scotch, the local dealer for that brand had to receive his normal commission, even though it's sold through the U.S. commissary.

He said, "Oh, yes, there are a lot of them." He gave me a list of about 20, and I picked out those that seemed to have fetching names, and wrote to five or six. [Laughter]

Q: Glen-something or other.

WOODWARD: Yes. I asked for their literature, and then ordered a small shipment. I ordered four cases, let's say, each from about four distillers. Well, in the course of this, I succeeded in finding a very good Scotch, which is made by a company called Patterson, interestingly enough, in Glasgow. In the course of it, I also got some terribly bad Scotch from other distillers, very cheap. It was all a low enough price. Patterson's best, which was thoroughly good Scotch, came up to all the regular well-known brands, was only \$18 a case, \$1.50 a bottle. I got some that was lower priced, less than \$1.00 a bottle. In one instance, we were having a cocktail party, when one

of the fellows on our embassy staff came up to me. We had a very pleasant relationship. He said, "Bob, what is this stuff you're serving?"

I said, "Why? What are you talking about?"

And he handed me a glass and said, "Taste this." Well, it was pretty bad. So I immediately told the waiter not to use any more of that. One of these brands was really quite punk, and some of the others weren't very good.

So a few days later, I was at a meeting of the diplomatic corps, and I was talking to a little group, including the Salvadoran ambassador. I said, "You know, I've got some very poor Scotch. I didn't pay much for it. I don't know what I'm going to do with it."

The Salvadoran ambassador said, "What do you want for it?"

I said, "I'll sell it to you for exactly what I paid for it, which is \$1.00 a bottle."

He said, "I'll take every bit you've got." So I sold him all of the dubious Scotch, and, of course, he was entitled to free entry, so there was no question about the legitimacy of this. I discovered later that he was peddling Scotch; he was selling it to local citizen buyers. I should not have lent myself to this measure if I'd had known what he was doing with it, but he seemed to want it badly. That's the way I got rid of the bad Scotch. I kept on buying from this man Patterson, visited his plant in Glasgow years later. When I was in Spain, I went up to Holy Loch to see how the submarine tender operated, because we were requesting the Spanish Government to permit the nuclear submarines to come into the base at Rota, and I wanted to see how that operated. So I went in to see Mr. Patterson, a very nice guy.

Q: When you were in Uruguay, President Eisenhower came on a visit. Was this a high point in your career or just a hectic one? Was it useful?

WOODWARD: It was an immensely popular visit. President Eisenhower made a really superb impression there. He also made a very fine impression on me and on my wife. He was a thoroughly agreeable man, just as amiable as one could be. He made a speech to the joint houses of the Uruguayan legislature, and was the object of a lot of attention. He was just there 24 hours, less than 24 hours. He made a rather interesting comment to me at the breakfast table. I was sitting next to him, and his brother Milton was on the other side. He said, "Say, Woodward, do you think this fellow Hunt should stay here?" Howard Hunt was the CIA station chief. He'd already been assigned to headquarters at Washington, and his successor was on the job, but he had been ordered to stay for a couple of weeks extra because President Eisenhower was coming, and he knew the police well and could help arrange all the proper protection and such details as the installation of telephones along the right-of-way.

I said that I didn't see any reason for him to stay. I said, "I know the new man quite well." He happened to be the same man who was in Costa Rica, who, through no fault of his own, had not informed me of the invasion that was coming. But he was a good fellow, and I said, "I don't see any reason for Hunt's staying. I don't think he should be kept here." He's been assigned to

Washington. I often wonder if I'd said, "He ought to be kept here," if it would have had any effect on what he subsequently did. [Laughter]

Q: Your little bit of Watergate there.

WOODWARD: Yes. Anyhow, we got out to the airport a couple of hours later. President Eisenhower was leaving. The then-chairman of the nine-man council, a man from an agricultural political party--the protocolary president for that year--and I were the last two to say goodbye to President Eisenhower as he climbed the ladder into his plane. He turned around, when he got up a couple of steps, and he said, "Oh, by the way, Mr. President, about that man you spoke to me about. He won't be able to stay here, but as long as I'm President [which was another eight months], I can promise you that Woodward will stay here." [Laughter] So Hunt left, and I was, of course, baffled by this exchange of comments, but I assumed from this conversation that Hunt had decided he wanted to stay in Uruguay.

Only a day or two later, the one American farmer that I knew in Uruguay--I don't think there was any other American farmer--came into the office, as he did from time to time. I always encouraged him to talk, because he was a good friend of the man who was chairman of the presidential council. He said, "Say, would it be possible for Hunt to get two helicopters for President Nardone, the kind of helicopters President Eisenhower has? Hunt said he could get those for him."

I said, "Well, I don't know how he'd do it, but who knows? I just don't know how he'd do that."

Then he said, "How about all that telephone equipment that was installed along the line of the motorcade?" (This is always a precaution, because the President of the United States might be called on to "push the button.")

I said, "Well, Hunt might be able to get that."

"Hunt said he thought he could get that for President Nardone, too."

This was all after the event, because Hunt was going to go on to Washington. But it indicated that he had decided that he wanted to stay. I figured out later that the reason he wanted to stay was that he was making a little money on a number of adventure stories he'd written. He was getting royalties on these paperbacks, and presumably some of them were very good adventure stories, and selling quite well. He had told me one day that if he could only get four or five more published, it would bring in royalties about equal to his salary as station chief, and that would enable him to live the way he wanted to live. He had a fairly large house, a couple of cars, but wasn't doing anything particularly flamboyant otherwise. He was a rather pleasant guy.

Q: Uruguay was not a particular place to be the flamboyant station chief.

WOODWARD: No, but I guess he thought it was a good place to have a little time off to write. As far as I was concerned, it was always a good idea for the CIA man to be doing something other than his regular work.

Q: [Laughter] Keep him out of trouble.

WOODWARD: Yes. Incidentally, if there's any one emphatic conviction that I have in relations abroad, and I don't speak on the basis of a very wide experience in many regions of the world, it is that the undercover activity, the action programs of the CIA, have done more to harm our foreign relations than any other one thing. I believe these have had a very bad effect upon our relationship with other countries, upon our own standards and principles, and upon our international reputation.

I say this because, like many other more or less idealistic people from the bush league and from the Midwest, I've always had the conviction that the United States was a very honest, fair-dealing, above-board country, that we are not engaged in skullduggery that was going to be harmful and embarrassing to foreign governments, and that one of our greatest strengths was our reputation for integrity and fair dealing. This has been destroyed, in many respects, by the CIA. Perhaps the action programs should not be totally eliminated. There may be some incredible unpredictable eventuality in which it's important for the President and Secretary of State to have access to some instrumentality such as these undercover programs. But I think it's a thing that should be used once in a decade or once in a generation, and we should not have thrown away our reputation for above-board dealings.

Q: I note that there was a rather busy time after you left Uruguay, where you were first assigned to Chile, and then you went back to Washington. How did this work out?

WOODWARD: Of course, I was delighted to be transferred to Chile.

SAMUEL F. HART
Vice Consul
Montevideo (1959-1961)

Ambassador Samuel F. Hart was born in Canton, Mississippi in 1933. He joined the Foreign Service in 1955. His career included posts in Uruguay, Indonesia, Malaysia, Costa Rica, Chile, Israel, and an ambassadorship to Ecuador. Ambassador Hart was interviewed by Charles Stuart Kennedy in 1992.

Q: Well, to move on, your first posting was Montevideo, where you served from '59 to '61.

HART: Right. And you'll recall, at that time, policy was, in the Department, that new officers were assigned first to Washington--a terrible, terrible policy.

Q: Oh, awful.

HART: But that was what they were doing then, and practically everybody was given a Washington assignment. They went to the IES Office.

Q: International Exchange Service.

HART: In New York. Or they went to the Passport Office and literally ironed pictures on the passports. Literally.

Q: That's just awful. People don't join to do that.

HART: Or they wormed their way in the bowels of INR, which was housed in some God awful place somewhere. And those were the initial assignments of most of my classmates.

Three of us got overseas assignments. Jim Powers, the beekeeper, went as a GSO to El Salvador, assistant GSO probably. We had somebody who went as a consular officer somewhere. And I was a political officer in Montevideo. Now you can imagine that there were some people who thought that Parker Hart was my father or something like that; that, you know, I had White House connections.

Q: Parker Hart being a major Arab hand in Near Eastern Affairs, and your name being Hart...

HART: Well, I think Parker Hart even at that time was a career man at State--you were forever seeing the guy around there--and people assumed that I had some kind of political connections. I don't know how it happened that I went to Montevideo.

I got married just before I left, married a sweetheart from Fletcher, and we went to Montevideo. I landed as the junior officer in the Political Section and was given the best portfolio of any reporting officer in the embassy. I was, what, 25 years old? And I was given Communist Party Affairs, Cuban Affairs, Student Affairs, Socialist Party Affairs, and the universities.

Q: Oh, boy, that's where all the action was, wasn't it.

HART: That's where all the action was. This was Montevideo, 1959, right after Castro had taken power. He was running all over the hemisphere, doing all that. And that was my portfolio.

Q: What was the situation, basically politically, in Uruguay in this period of time?

HART: Well, you had just had an historic electoral victory by the Blanco Party, which was the more conservative of the two parties in Uruguay--the Colorados and the Blancos, longtime...

Q: Backwards and forwards.

HART: Yes, back and forth. But the Colorados had held power for...I've forgotten, 30 years or something like that, before this victory by the Blancos. Now Uruguay had a bicameral legislature, didn't they? Was it bicameral or unicameral? I think it was a bicameral legislature. But instead of an executive, they had an executive council. They had about seven or nine people on it, and these were proportionally represented people who went on the council. The Blancos won control of the council, and also, I believe, had control of the parliament, for the first time in a long time. The

presidency of the council was not for one person. The president of the council was elected by the council itself, and he held office, I believe, for two years, and then it switched and somebody else held it for two years, and the elections were held every four years.

Uruguay, of course, had a reputation of being the Switzerland of Latin America, because it was a democratic country. It was a nonviolent country. It had advanced social programs, et cetera, et cetera.

I don't think Washington cared one way or another whether the Blancos or the Colorados were in Uruguay, because it was going to work closely with either one. We had a really warm and fuzzy relationship with Uruguay, compared to, say, Argentina or Brazil or Paraguay or what have you, over the years, I think partially because we shared a lot of values. I think, over time, you have the best foreign relations with countries with whom you share values. Just like on an individual basis, you have better relations with people with whom you share values. Some exceptions, but a valid general rule.

Uruguay at that time, however, was suffering from a common Latin American dilemma: and that is, they'd built up a group of entitlement programs that the treasury couldn't finance. And so they'd go through one economic crisis after another: rampant inflation and then tightening down under the demands of the IMF to get a stabilization program in, blah, blah, blah. They were going through the stop-go, wringing-out policies that became kind of the bogey man in Latin America, for the leftist circle, as the way that imperialism extracted its pound of flesh from the poor and downtrodden.

Uruguay, being a democratic country, was a wonderful place for a neophyte political officer to operate, because you had street rallies by the Communists, and you had the universities free and active in the traditional Spanish sense of the universities being, in a way, the conscience of the country, et cetera. And so I was out in the street probably two nights a week to something or the other. It didn't make my bride very happy, but that was fine. And I became recognizable on sight...to the Cubans and the Communists and the Socialists who were around and picked up that I was taking a class at the university and that I was hanging around a lot. It eventually got to the point where my family and I were receiving death threats. And the funny thing about it is, I don't believe I ever even told anybody in the embassy (contrast that to today), because I never took it seriously.

Q: Well, it wasn't a time when things were happening, was it?

HART: Oh, yeah, things were happening. Things were happening. But when somebody would buzz the intercom in my apartment house and say, in Spanish, to my wife, "You and your family are going to die," or something like that, and I came home and she told me about it, I just said, "You know, that's just an attempt to try to scare us." I believe at that time in the embassies the admin. officer was the security officer, and I didn't have very much respect for the admin. officer, so the last person I was going to go to and complain about this was him. So I ignored it.

The embassy itself was probably the highest-caliber group of Foreign Service officers that I ever happened to work with.

The ambassador was a man who, if you were going to draw up the kind of qualifications and values that I think you should have in an American ambassador, would serve as a good model, a guy by the name of Bob Woodward.

Q: Yes, I've done some extensive interviewing with him.

HART: Bob Woodward is a thoroughly, thoroughly decent, dedicated man, who was selfless in his dedication to advancing the foreign-policy interests of the United States, not in a mindless way, but in a very thoughtful way.

His number two, the DCM, was a guy by the name of Hank Hoyt, who had a congenital heart problem that everybody knew about. The doctors told him, "Hank, if you don't take it easy, you're going to probably kill yourself."

And Hank said, "I'm not going to compromise on this. I'm going to live my life the way I want to live it."

He did, and about five years later he keeled over one day of a heart attack and died in his early fifties while he was ambassador to Uruguay.

After a year, I asked for a transfer from the Political Section to the Economic Section, even though I had the best portfolio in the embassy. And the reason I asked for a transfer was I decided that economics was where the real action was, not politics, not the Political Section. Oh, you'd get wonderful end-user reports, you know, that little piece of political analysis you've done on whatever you've dug up about the Socialist Party in Uruguay, or whatever, or what the Cubans were doing. But I became convinced that I really would get more satisfaction out of working on the economic side.

The head of the Economic Section was a Department of Commerce political appointee by the name of George Landau.

Q: Oh, yes. Again, we've done an oral history with him, too.

HART: It was a three-man section, and the other officer was a guy who came into the Economic Section about the same time that I transferred from the Political Section to the Economic Section. He came from Brazil, I believe it was, and his name was Dick Bloomfield. So Dick and George and I were the Economic Section in Montevideo in 1960-61. Three more different personalities you couldn't find anywhere, but it was probably the best section I ever worked in, in terms of knowing what they were doing and doing it well. With Bob Woodward as the ambassador, and Hank Hoyt as the DCM, you had superb leadership at the top.

Now I remember at the time, Stu, as we sat around and had a beer and what have you, I used to say, "You know, it really bothers me that the caliber of people in the Foreign Service is not better," because some of the people in the political sections and admin. and consular work and

what have you, I thought, were not up to what a Foreign Service officer ought to be. Little did I know, little did I know...

Now I've failed to mention one important player in all of this--the station chief.

Q: I was going to ask that question.

HART: The station chief was a gentleman, who forever faded into obscurity, named E. Howard Hunt.

Q: I refer any future historian to the Watergate affair, but would you tell how Howard Hunt operated at that time.

HART: If you've read *Harlot's Ghost*, the big novel-to-be-continued by Norman Mailer that has recently come out, it got Howard about right. Howard, again, is a unique character; as far as I could tell, totally self-absorbed, totally amoral, and a danger to himself and anybody around him. As far as I could tell, Howard went from one disaster to another, rising higher and higher, everything floating just right behind him, until he hit Watergate, and then it exploded on him. Now that may be unfair to Howard. You can get different interpretations of his contribution, if you want to call it that, in the Jacobo Arbenz thing in Guatemala in '54. But Howard made his name in Guatemala in '54.

My wife, the classmate at Fletcher, had gone to work for the CIA right out of Fletcher, when I had come to Washington and gone into the Foreign Service and we got married some six months later, had been told that she could go to work for the station in Montevideo after she got there. Howard had said yes, we want you to come to work for us, and then, at the last minute, she was told no, you can't do that because State Department policy doesn't allow it. Whether that was true or not I don't really know, but it seemed to me that it made some sense, because if indeed my wife worked in the station and she was identified as somebody who worked in the station, then...

Q: You'd be forever tainted.

HART: I can understand why the State Department maybe wouldn't want to do that.

But the only man in the world I ever knew who Robert Woodward couldn't get along with was Howard Hunt. And it used to be a constant source of gossip and amusement and conversation about the latest contretemps between Howard doing something that would drive any, *any* reasonable person off the edge of the Earth and Robert Woodward's reaction to it.

And this is not in *Harlot's Ghost*... At one point, Eisenhower came to visit Uruguay on a swing through Latin America in January or February of '60. They brought in a couple of helicopters to transport him around Uruguay during his brief visit there. And Howard, without checking with the ambassador, promised one of these million-dollar helicopters to Benito Nardone, who was the head of the National Council of Government at that time and a big crony of Howard Hunt. That caused a few moments of crisis when the ambassador found out about it. But I'll let Bob Woodward and Howard Hunt tell that story.

Q: But did you see the reaction? In my interview with Bob Woodward, he said that he'd been in Central America before...

HART: He'd been ambassador in Costa Rica.

Q: And seen the aftermath of the Arbenz business and all this, and made the point that he thought the United States, by getting involved in these covert actions of trying to unseat people rather than doing normal spying, wasted a tremendous moral advantage of the United States, and felt that if you added them all up you'd find that it came out as a very decided minus as far as advancing the cause of the United States. Did you sort of get this flavor while you were there?

HART: I don't recall that I ever heard Bob Woodward discuss this; however, I totally agree with his judgment. And if you want to look at the history of the CIA that I'm aware of in the 27 years that I was around them, I would say it's a net minus, a net minus. That's not to say you can't find some things that were done in covert action... I'm not talking about intelligence gathering, I'm talking about covert action. I never knew a covert action program (and I've approved a fair number of them) that I really thought was worth a candle. Even on the collection of information, if it's not usable, it doesn't reduce the value of it to nothing, but it greatly reduces the value of it. I don't think the security of the United States would have been greatly damaged in any way if the CIA had never been born, to tell you the truth. The intelligence-gathering function would have been performed somewhere else, not necessarily by more competent people, but by people more susceptible to political control.

Q: We'll probably come back to this later on in other aspects. You mentioned that in Montevideo you'd go out into the crowds and all, but how does a young political officer operate in a situation like this?

HART: It was kind of funny. I think pretty much you write your own scenario. Nobody ever took me aside. I had a section chief, who was a Wristonee and had not had a happy time in the Foreign Service and hadn't had a lot of overseas experience, who had his own agenda, and it was not the agenda that I certainly was interested in. He was very good at some things and terrible at others. But he by and large gave me a free rein. In the morning we would read five or six newspapers (which was all there were in Uruguay), and I'd see something in one of the newspapers that looked interesting, and at the morning staff meeting I would say, "I think I'm going to look into this." And I don't recall ever having anybody say, "No, don't look into that." Occasionally, they would say, "Well, look into something else first." But essentially it was on-the-job self-training.

And I would just say, "Okay, you want me to do something about University Affairs, well maybe it would help if I enrolled in a class at the university." So I went out there, and I heard that there was a young man who was a teacher, a Ph.D. economist from Harvard, who was bright and looked like he was a comer in the Uruguayan political scene, and maybe he would be a good person to take an economics course with. So I enrolled in the course given by a guy in the university who happened to be named Enrique Iglesias, who over the years has held every important government post in Uruguay except president: foreign minister, finance minister, head

of the Central Bank, and now head of the Inter-American Development Bank. Enrique and I became good friends and have continued all these years. Nobody told me to do that; I just did it.

As to what happened out of that, I'd write these things up and say, "Something interesting happened at a meeting last night at the university. Carlos Lechuga, the commandant from Cuba, was here, and they had a student rally in the auditorium, and this is what Lechuga said..." I'd report it, and about the only thing that happened in terms of supervision was that my boss would edit it, not for content but for style. He saw that as his job.

I don't know whether I was any good at this or not. The ambassador and the DCM seemed more pleased than my boss did. Interestingly enough, when I got, I guess, my only efficiency report out of the fellow who was the section chief, Jack Ohmans, who's now dead, it was really a rather negative efficiency report. And when it hit the DCM's desk for review, he put a "Major dissent" on it, and then the ambassador tacked on another "Major dissent," which in the end, of course, is the best of all possible worlds; it gets people's attention.

So, really, you invented yourself.

Q: Was it apparent to you that the situation with the Tupamaros was going serious?

HART: Yes. Yes, it was, because of the history of alienation, not in the lower classes, essentially in the middle and upper-middle classes in Uruguayan society, particularly in the university area. These extremists were present and active in the university, and that's where the Tupamaros mainly recruited their people. There weren't many working-class stiffs in the Tupamaros. These people were there and active, although they had not entered their armed-insurrection phase when I was there, and they were identified closely with Castro. Now at that time, I think they still believed they had a chance to win political ascendancy in Uruguay in some way other than through armed revolt.

The Tupamaros started engaging in terrorist activities, *major* terrorist activities. I left Uruguay in '61; it must have been about '63 when the real violence--the kidnappings and the murders and everything--began. There was a lot of that going on, but at a lower level.

In *Harlot's Ghost*, there are descriptions of what the CIA was doing with street gangs and rival groups in the university and what have you. That is accurate; that was true. Because of my work on the overt side with some of the same groups, some... who were friends of mine and about the same age who were working on the covert side, I had an idea of what they were doing, and vice versa. That description in *Harlot's Ghost* is, again, very accurate, and Mailer got it about right.

Q: How about on the economic side? In the first place, were we very concerned? Were we saying watch this?

HART: Oh, we and the IMF were hand in glove in trying to lead Uruguay away from the folly of statism and a fairly advanced form of Socialism. Since the government was the main employer in Uruguay, it was your traditional top-down Latin American kind of governmental organization.

Now Uruguay, of course, at that time had about two million people. A million of them were in Montevideo, so you've got Montevideo, and then the rest. And out there was a bunch of cattle runs, mainly; they raised cattle and sheep. Meat and wool was what the country lived on, and they taxed that to support this huge urban complex in Montevideo. But the wealth was produced out in the countryside on the ranches. And the system simply could not pay for the amount of money that was required to support this.

People were entitled to benefits they didn't get. The labor laws were so advanced it was impossible to get a day's work out of anybody. The unemployment, the social security, the retirement benefits, the medical benefits, et cetera, et cetera, were all enacted and everybody was entitled to it. And the government strove mightily to deliver at least a minimum level of services. But the money wasn't there. And the only thing that kept the crisis from crashing down (which it finally did in the Sixties and Seventies) earlier was every once in a while a war would come along and rescue them. Uruguay was on the verge of some kind of revolution when World War II came along and high meat and wool prices rescued them. And then they lived off of that until the Korean War came along and replenished the treasury. But by the time I got there, in '59...

Q: There was no war.

HART: Subliminally, they used to pray for another nice little Korean-type war until they could get the prices of wool back up.

Q: How did you find economic reporting? You said you wanted to get into it because you felt here was kind of the action, but how did you feel about what you were doing?

HART: Oh, I really liked it. George Landau was not an economist. He had been a businessman, and his theoretical economics were not very strong. Over the years, George, because he's a smart guy, picked it up on the job, but at that time he was pretty new to it. And Dick and I--Dick, having just come out of a year of mid-career training at Harvard; and I, not having any particular expertise but kind of a natural interest in economics--did the analytical work. George did a lot of the other stuff, and he was commercial attaché also, because he was a Department of Commerce person, soon integrated into the State Department, soon to become a fast-rising FSO. He spent a lot of his time with Bob Woodward both in Uruguay and then later on in Spain.

But the economic reporting? I would say I got more supervision out of George than I ever did out of the Political Section guy, Jack Ohmans. George doesn't let too many sparrows fall without knowing what's going on. But I never had George challenge any of the content of what we did.

Dick did the domestic financial reporting: Central Bank, statistics, credit, economic policies, internal budget process, what have you. And I did foreign trade, particularly meat and wool. So I had to learn about meat and wool. That was my initiation to commodities, an initiation which went on for the next 30 years. I left Mississippi to get away from farms, but I never made it.

Q: You left Montevideo in 1961. How'd you feel about the Foreign Service at that time?

HART: I was still excited and pleased. I left Montevideo at the end of a two-year tour, having served in the Political Section and the Economic Section, having experienced some rubbing against some really first-rate officers. My first child was born there.

ROBERT H. NOOTER
Mission Director, USAID
Montevideo (1962-1964)

Robert H. Nooter was raised in St. Louis, Missouri. He attended one semester at Purdue, joined the Marines during WW II and was assigned to a V-12 Unit. However, he graduated from the University of California with a B.S. in Industrial Engineering in 1947. He was called back into the Marines in 1951 to fight in the Korean War. In 1961, he attended courses at the Harvard Business School. He became interested in government service during the Kennedy Administration, and international affairs during his service in the military. He also served in Liberia and Uruguay. He was interviewed by W. Haven North on January 6, 1996.

NOOTER: It was around September 1962. I had a two and a half year assignment there and returned in December 1964.

Q: *What was the program? Why were we providing assistance to Uruguay?*

NOOTER: Uruguay is a relatively prosperous Latin American country. I don't remember the per capita income, but it was not low. Uruguay is a very sophisticated country, reminiscent more of Europe than of an underdeveloped country, and like Argentina, had been very successfully developed up through the thirties, but it had fallen on hard times. The AID program had actually phased out there in, I think, 1958. But it was being reopened in 1962 as a result of the agreement of the U.S. to give substantial assistance through the Alliance for Progress, which was conceived in Punta del Este in 1961.

Uruguay came back into the AID program because of the Alliance for Progress. You asked why we were there. I remember being shown, in great secrecy, by the State Department the transcripts of some of the discussions that had gone on that formed the basis of the AID program in Uruguay because I had asked exactly your question. Why are we going there? What is the level of aid, and on what basis is it conceived? What kind of program is it to be?

What these transcripts revealed was that Uruguay had been promised a certain level of aid if they would vote for the Alliance for Progress, which was actually in great doubt as to whether it would be accepted by the OAS countries. My understanding was that it needed a two-thirds vote to be accepted by the OAS. The Alliance was a program in which the U.S. agreed to provide aid, and the Latin American countries agreed, at least in a general sort of way, to follow a set of policies having to do with what would make their countries develop more effectively. A lot of Latin American countries at that time didn't want to be so closely associated with the U.S.

The Uruguayan vote was the one extra vote needed to make the two-thirds majority. The president of Uruguay - they had a rotating presidency at that time; a nine man council governed the country, and one of the members of the council served one year - held out for a certain level of aid, which depending how you read the transcript was either 10 million or 20 million dollars. It was not the only time I was involved in a politically motivated aid level where the amount was not clear.

AID thought the agreement was for a ten million dollar program of assistance. The period was somewhat indefinite as to whether that amount was for one year or two years. A small office had already been set up in Montevideo with a couple of people from AID's regular staff.

Q: Let's step back. Do you remember what the Alliance for Progress policies were? What kinds of things these countries were being asked to commit themselves to?

NOOTER: I really don't, but it's certainly on the record. It's a written document that was a public document, and it indicated what they would do on their side as part of the commitment to use the aid well.

Q: This transcript didn't say anything about that with Uruguay?

NOOTER: No, it was only in the context of how much aid they would get if they voted for the Alliance for Progress. It was a rather cynical note on which to start my AID career. And incidentally, while I was going through my processing in Washington a group of Uruguayans arrived. I can't remember who they were, but it included some senior people from the Ministry of Housing and somewhere else. In our very first conversation with the Uruguayan government officials about aid, the Communist threat and the need to provide aid as a means of offsetting that threat was the Uruguayan's main line of argument as to why they should get aid.

Q: Was there a threat?

NOOTER: I think in a sense that all of Latin America was intrigued with Castro at this point, and the United States was very much the villain. When we went to Uruguay, the walls of the city were painted "Yanqui fuera," meaning "Yankee Go Home." I remember one evening we were walking on the streets of Montevideo around midnight and there was a rally going on with a lot of people and a lot of shouting and speech-making. We came up to the back of the crowd and listened, and it was an anti-U.S. demonstration. So we quietly slipped off, since I frankly never looked very Uruguayan and was always easily identifiable as an American.

The feeling against the United States was very intense in 1962.

Q: Was it the popular feeling as well as the government?

NOOTER: It was much more of a popular feeling than a Government position. As usual in these things, on a personal level this was never a problem. We had many good Uruguayan friends. Usually these were people, of course, who were upper income level. The people we rented a house from became good personal friends. We still stay in touch with them. So on a personal

level you didn't feel the antipathy. But a large part of the population must have felt this way. You got the feeling from public expression that to be pro U.S. was definitely out of style.

I'm skipping ahead in my narrative a little bit but to complete this point. The fascinating thing was that when Kennedy was assassinated there was an outpouring of sympathy for us, as if our father or mother had died. The Uruguayans came by our house in enormous numbers to pay their respects. That moment changed the atmosphere about the United States more than anything that I can think of certainly during the time we were in Latin America. Somehow we were no longer the Yankee oppressor, we were now wounded and vulnerable ourselves.

Q: You were in Uruguay at that time?

NOOTER: We were in Uruguay at that time. It was an amazing transformation. I never felt the anti-Americanism in the same way after that. I don't know what others would say who were living there at that time in other parts of Latin America.

Q: So, how long were you there before that happened? About a year?

NOOTER: When was Kennedy assassinated? I guess that it was 1963 or early '64, and we got there in August of '62. Most of the time we were there was before the assassination and only a short time after. But the anti-American feeling was running very high before that.

Q: Well, let's go back to...you were just getting there.

NOOTER: Also another theme that we will come back to in our interview is that in those days AID ran large overseas missions that were empowered to do a great deal. But someone in AID had the notion that we really ought to change that style. The notion was that the AID mission in Uruguay should be a three person mission, that that would be the size of it. That was predetermined - three or four including the secretary because you had to have a U.S. secretary for security reasons. If you had classified documents you had to have a U.S. secretary to handle them.

So I went to Uruguay with the understanding that it would be a four person mission. The way AID was structured didn't make that very practical, however. I think by time I left, the mission had grown to ten U.S. staff. But somebody was thinking at that time of changing the style to smaller missions. As I remember, the mission in Thailand at that time was about 400 Americans plus local staff. When I got to Liberia, we had about 300 people, 150 direct hire and 150 contract. But in Uruguay they had the notion that they wanted to run a small mission.

We set out to try to identify programs. Some technicians had been there ahead of me trying to develop programs. There was an agricultural program that was really in agricultural education. It had been conceived and was in the later planning stages. There were preliminary plans for a housing program and one of the staff had been working on giving a loan to a cooperative bank for subloans to members of the cooperative for agricultural processing. And this was the program we were putting together and trying to get started.

Also during the time I was there, we began a police training program, a kind that was popular in AID at that time. AID had the notion that part of the government outreach to the people was through the police department, and if police services were oppressive and brutish then the governments would appear to be oppressive and brutish. On the other hand, if police were trained to be efficient and courteous, the country would be better off. That program later became the basis for the incident that happened in 1969, when urban guerrillas in Uruguay, called the Tupamaros, kidnapped the head of the AID police program and created an enormous international incident. It became the basis for a movie done by the same fellow who did "Z", and the result was that Congress decided that AID's police program should be stopped.

Q: I think that happened after you were there.

NOOTER: Yes, in 1969 and I left in 1964, but the program had started during my tenure. It's only later, when the U.S. began getting involved in places like Somalia and Haiti, that the U.S. Government came back to realizing that police training is an essential part of running a modern government. If you are starting to build a government structure, this is one of the essential services. This would be an interesting study for some researcher to go through the whole history of this program, but not stop in 1970, but to continue on up to the present day, including the Somalia experience.

John Hannah, who became head of AID in 1969, was one of the early supporters of police training when he was the president of Michigan State. John had that notion very much in mind and felt very strongly about it. I know he thought it was a big mistake when they were required to pull back from those programs. It is certainly true that the publicity that was generated by the police programs, where the revolutionaries tried to make the U.S. appear as oppressors because we supported the police was very bad for AID. But the basic concept of training police not to be oppressive is essentially sound.

Q: Were there any elements, though, in the public safety program using it by other agencies in the U.S. government for intelligence and other covert activities. Did you ever see any evidence of that?

NOOTER: At the time I was there it was not used that way in Uruguay. I guess that it was not uncommon for police programs to have some individual in that group be a cover for a CIA person. Again, the notion of using AID for CIA cover came out as an issue in the early 70s and John Hannah put a stop to it everywhere around the world in all AID programs. Of course the State Department was used as a CIA cover and probably still is. Where else are they going to be put? But so was AID, and it probably was a mistake to use AID for a CIA cover. But once it came out and became public knowledge, it was cut everywhere except in Laos.

Q: You talked about agricultural education and public safety. Were there other programs that you were working on?

NOOTER: Yes. I was there two and a half years. The Agriculture Program made the most headway and had the most impact on the ground. For the cooperative bank program, we actually entered into a loan agreement but before the loan ever became effective it became obvious that

the bank was going bankrupt. No money was ever dispersed against it. I believe that happened after I left, or about the time I was leaving. That program didn't work out simply because the institution became insolvent.

But I remember when I returned to Washington after my two and a half years there, Bill Rogers, who had been Chief Legal Council in the Latin American Region and had taken Moscoso's place as the Assistant Administrator for Latin America, asked me what my overall impression was of the time I had been in Uruguay and my whole experience there. Off the top of my head I said, "Bill, I guess in retrospect I would say we tried too hard." What I meant was that the Uruguayans were really not that interested in the AID program. Maybe some individual that we were working with might have been, but the country was too sophisticated, the amount was too small, and the impact was too little to be significant.

Q: What level are you talking about?

NOOTER: About ten million dollars. I don't think we ever spent more than ten million dollars there. Those amounts were too small to be a real interest to them. The loans had to go through their Parliament after they had gone through their central bureaucracy. The program really didn't generate enough interest to deal with all of the bureaucratic obstacles that had to be overcome to put them into place and make them effective.

There was another small program that we at the time thought was useful. Funds were made available to the planning organization, which was headed by Enrique Iglesias. He was thought of at that time as a bright young economist, which he was, and a potentially significant future government official in Uruguay, although he was a naturalized Spanish citizen. People even thought of him as a possible president of Uruguay, except that he couldn't become president because he was a naturalized citizen. We gave relatively small amounts of money to provide technical assistance to help the planning organization that he headed. I don't know how much use that was but Iglesias, at least, went on to a very successful career.

Q: Did you have any dealings with him at the time?

NOOTER: Oh, yes, very much so.

Q: Was he the recipient of any assistance or training programs?

NOOTER: Well, not he personally, but we were financing some of the technicians he wanted to bring to Uruguay to develop various parts of the planning operation. He now is the head of the Interamerican Development Bank.

The other things that may be of interest have to do with the breaking in of a person who comes from the outside into the government bureaucracy; who comes with an engineering background; who comes into what is basically an economic job requiring an economic background. And into a situation with a lot of tension, a lot of pressure to deal with, in this very political ambience relating to Castro's influence on Latin American at that time.

The U.S. Ambassador to Uruguay at that time was Wimberly Core, a career State Department person who was quite fluent in Spanish and knew Latin America very well. Wim was an extremely cautious person. He recognized that I was a newcomer and an outsider. He was also extremely cautious about every cable that was sent from the Embassy because he had lived through the McCarthy period and knew how important any written record was. So at least for the first year and a half that I was there, every routine cable that we needed to send to Washington, or other documents that were going to AID, would be scrutinized carefully by the Ambassador. I remember one evening being in the Embassy at twelve o'clock at night going over cables, sitting up on the second floor of the Embassy while demonstrations were going on in the streets below. Fortunately, the Embassy was not on the ground floor. And we were sending our AID messages to Washington at midnight.

The U.S. Ambassador was very competent and we got along very well. In due course I gained his confidence and in fact he was willing to take chances when he understood them fully. He sided with me several times on the clearance of people who were going for training in the U.S. when the CIA director thought that they were too leftist to be sent. The Ambassador, in every case, supported my recommendation.

I ultimately think I had a better relationship with him, or a more trusting one, than almost anyone else in the Embassy. Finally, when he went to another post in Ecuador, he was declared *persona non grata* for giving a speech in which he criticized the government of Ecuador at that time, which was a very poor government. The speech was cleared by Washington, but nevertheless was delivered by him. Of all people, it seemed ironic that Wimberly Core would be declared *persona non grata*.

Q: What was your impression of working with the Uruguayans, people in the government, and so on?

NOOTER: Let me finish with the Embassy first. There are some other interesting points there.

Q: Excuse me. Please go on.

NOOTER: I was fortunate to have the Economic Counselor that we had, named Louis Mark. He was a Hungarian born, European trained economist and in retrospect, I would say quite an outstanding economist. He could be quite tiresome. If he were here, I would tell him that to his face, because he was also extremely cautious and went over every one of our cables because the Ambassador said that all AID cables had to go through the Economic Counselor. Incidentally, this is where I learned a good bit about the relationship between AID and the State Department, which in the field and in Washington is always contentious. To my mind it is understandably so, and that is something we can talk more about when we get into other jobs where I was involved heavily with State as well as AID.

Louis taught me economics, for which I am very grateful. I got a good grounding in practical economic application in Uruguay. His junior assistant, a very junior foreign officer at that point, was named Bill McDonough, who was the brightest person in the Embassy. He had the best connections with Uruguayans, he and his wife. He spoke fluent Spanish in a short time, as

younger people seem to be able to do. We always had more information coming in through Bill than any other source in the Embassy. Bill also got training from Louis Mark, although he was a trained economist to start with. Bill is now the head of the Federal Reserve Bank in New York, the second highest position in the Federal Reserve. He left the Foreign Service after eight or ten years, I guess, and went into the banking business before joining the Federal Reserve. I heard him speak recently and he is still as good as he ever was.

Q: Let me break a minute...Let's now turn to relations with the government.

NOOTER: The individuals that wanted assistance and thought they were going to get it were, of course, friendly with us. One incident that I remember very clearly was that of the head of an agricultural educational institution, named Luis Balparda. He was an extremely fine gentleman. At that time it was AID's requirement, under Congressional legislation, that all structures built with AID funds had to bear the clasped handshake symbol. Balparda had a hard time understanding why Uruguayan buildings should bear the "union label," or the label that symbolized their poverty, if you will.

I recall that while he and I were on very good terms, we spent several extremely trying and difficult sessions before I was able to convince him that while it was unfortunate from his viewpoint, there was no other way around it but to have that symbol on his buildings. He finally accepted it, but I would say it was something he accepted with the utmost reluctance.

Q: Did you find that people you were negotiating with in the government were you generally an easy rapport with them or were they kind of stand-offish? What kind of relationship do you think you had with them?

NOOTER: Dealing with the Uruguayans was like dealing with Europeans. They were proud people - well not overtly as proud, say, as the Argentineans - they weren't haughty people, but they were intelligent. One of the things I learned is that in developing countries you have individuals who are often more sophisticated, more educated or well-trained and competent than comparable people in our country. It's not as though you are dealing with people that you can dictate things to. You have to deal with them on equal terms. You have to have a relationship based on mutual understanding and mutual confidence and trust. But that was possible in Uruguay. It was not that they were prepared to accept anything we told them; it was that they had to be convinced that it was in their interest to do it.

I remember when we negotiated a loan. I think it was the housing loan. We had a rather arrogant AID negotiator from Washington who came down as the chief negotiator. He was entirely too arrogant for the situation, and it was a most trying time. We finally got through after about three difficult days of something that should have been done in two hours because he was simply too arrogant.

So the relationships could be difficult even though the people were generally friendly. My personal relationships were quite good. I remember that after the loan was approved we had to get the Attorney General's opinion, as we do on all loans, that the signatures were valid and the documents were legal. We waited for months and months, and I kept going into the bureaucracy

to find where this was held up. Finally I located the fact that the Attorney General was an old fellow who was sitting on this for no apparent reason. After we got to know each other, and chatted for a while, it turned out that both he and I had been at the inauguration of the United Nations in San Francisco in 1945. He had been there as part of the Uruguayan delegation and I had been there as a student at Berkeley. Once he learned that, we got along famously, and he quickly approved the document the next day and that was the end of it.

One other interesting thing in Uruguay was that part of my economic training was watching the Uruguayans lose all of their foreign exchange holdings in four months. I arrived in August of 1962, and they had a national election in November. Between July, just before I arrived, and November the peso, which they were trying to hold at a fixed exchange rate - this had been the government policy for the previous three or four years - the peso was beginning to slip, and they didn't want to devalue before the election. The Government had a hundred million dollars in July, and by November they had zero. And in those days, for a country the size of Uruguay, a hundred million dollars was a lot of money. It all went out the window in four months because the speculators knew that the currency was overvalued, but the Government would not devalue.

Then they had to turn to the IMF. That was my first experience with the Fund and it was quite interesting. It taught me the power of exchange rates and what happens with the way money can be lost when exchange rates are mismanaged.

Q: What was the mismanagement that led to this capital flight?

NOOTER: It was simply that the peso was overvalued. It was the exact precursor of what happened in Mexico two years ago. Anyone who had lived through the Uruguayan experience had no trouble understanding what happened in Mexico, where again they didn't want to change the value of the peso, which had become overvalued, because of an election coming up.

Q: They were running a big deficit.

NOOTER: So the speculators took all of the money out of the country. Incidentally, the government won its election by a very narrow majority, and so they won another four years in office. But it was not a happy four years for them because they had lost their foreign exchange reserves. It was a very difficult economic time.

Uruguay was one of the few countries at that time that had a flat or negative growth rate. At the end of my time there I thought of writing a paper on it, because at that time it was rare. Uruguay, Britain, and Sri Lanka were countries that had roughly zero growth going on at the same time. I started to do a paper on why that happened, but never did finish it.

Q: What were your thoughts?

NOOTER: In retrospect, I guess you would say the similarities in those countries related to excessive spending for what we now call entitlements. But the other factor that was certainly true in Uruguay was that the excessive entitlements had been made possible by the windfall earnings that flowed into the country's foreign exchange reserves during and after World War II and

during the Korean War, when wool and beef prices were extremely high. This created income that was then locked into the social system through increased pensions, increased government employment, and so on. When those foreign exchange earnings dropped because the price of wool and the price of beef, which was their main export, declined in the world market, their foreign exchange earnings went down but the commitments that had been made on the basis of the inflows were still in place. They couldn't withdraw the pensions, or cut back on the government employment, because it was politically difficult to do so. This would later be known as the Dutch disease.

In any event, what it taught me was that fluctuations in foreign exchange earnings are extremely difficult for countries to deal with when they have political systems that want to spend the money that comes in when times are good. All countries that go through this now, say with oil, have a major problem to deal with unless the oil is going to last them indefinitely. It's a problem to keep temporary windfall earnings from having a negative impact on the economy ultimately.

Q: Any other thoughts about Uruguay at this point? That's very...

NOOTER: No, that's probably more than enough.

Q: Interesting though and very worthwhile. It certainly gives us a flavor of that time. Well, if there is something else we can come back to it, but after two and a half years where did you go from there?

JOHN EDGAR WILLIAMS
Deputy Chief, Economic/Commercial Section
Montevideo (1963-1966)

John Edgar Williams was born in South Carolina. He graduated from the University of North Carolina, Yale University and Victoria University. He has served in a variety of posts in England, Spain, Argentina, Italy, Uruguay, New Zealand and Canada. Mr. Williams was interviewed by Dr. Anne R. Phillips in 1995.

WILLIAMS: Well, in my academic work in economics, I had specialized in the trade and development field, because we had some very good professors in that field in the Department of Economics at Yale. I was very attracted to the field of Trade and Development. This was an up-and-coming field, the relationship between trade and economic development, especially in the Third World. So that was what I concentrated on. They offered me this assignment in Uruguay as Deputy Chief of Embassy's Economic/Commercial Section, and I was told that one of my major subsidiary jobs would be to act as the United States observer at the then fairly new Latin American Free Trade Association, which was headquartered in Montevideo.

Q: Was that the reason for going to Uruguay in the first place?

WILLIAMS: Yes. That's the reason they wanted to send me there, someone with a fresh degree in economics to observe and analyze what was going on in this Free Trade Association.

Q: I'm here with Mr. Williams and we're just beginning to talk about Uruguay and your posting there. Say the actual post again one more time.

WILLIAMS: My job was Deputy Chief of the Economic/Commercial Section at the Embassy.

Q: And it was a fairly new idea, concept, configuration?

WILLIAMS: Well, no the job itself was not new, but the fact that one of the main parts of the job was to analyze the Latin American Free Trade Association. That was new, because the Association had been created only two years previously.

Q: Had it always been based in Montevideo?

WILLIAMS: Since its creation it had been based in Montevideo, because for the usual reasons, the Brazilians didn't want it in Buenos Aires and the Argentines didn't want it in Brazil and the Chileans didn't want it in either of those big countries. So, they all thought that Montevideo was a pretty good compromise. I mean for the same reason that the capital of the United States was established in Washington, DC.

Q: I see. That's helpful. So, when you went there what was it like? What happened when you got there? How did you feel about being there?

WILLIAMS: I'll tell you how I felt. My first impression of Montevideo was the smell of grilling steak. Everywhere you went in downtown Montevideo you could never escape the smell of grilling steak. Oh, boy!

Q: The beef from the Pampas?

WILLIAMS: Yeah. Where's the beef? Well, this was their own beef. Uruguay was a small version of Argentina.

Q: So you were just aware of that all over creation?

WILLIAMS: I was aware of that, because that was the main item on everybody's menu. The reason why you smelled it so often was that, where they were building or repairing buildings or streets or whatever downtown, the first thing the workers did in the morning when they got to work was to choose one guy, one of the workers who, rather than digging, would be cooking the midday meal. He would be grilling a large piece of meat and sometimes it wasn't beef. It might be a whole goat or a lamb or leg or side of mutton or whatever. He would be grilling meat of some kind and by midday, the time they were due to have lunch, it would be ready.

Q: Was the grilling actually done on the street?

WILLIAMS: This was on the work sites. They would have their own grills or framework. If it was a goat they would have the entire goat there. It was spread out on this steel frame over the fire or they would have a regular grill set up there if it was a big hunk of beef. That city was a really remarkable place for that reason alone.

Q: *So you got there, well landed, literally in a plane? How did you get in to the country?*

WILLIAMS: Well, I flew down from Washington. I guess I went from Washington via Miami, I forget.

Q: *When you were flying in, what did the city look like?*

WILLIAMS: I was looking for the mountain, because the name of the city came from when some Portuguese navigator was going up the River Plate and one of his sailor's said in Portuguese, "Monte vide eu." "I see a mountain." So, there was indeed a little hill that could hardly be called a mountain, but it was a nice little port with a fairly narrow entrance to it. Too narrow as you recall. The Graf Spee crew thought it was too narrow anyway. It was a nice city. It was somewhat rundown and shabby. It looked as if, in 1920, it would have been a lot prettier than it was in 1963, but more prosperous, because things had been going downhill economically ever since the post-World War I boom. It was a city of over a million people, somewhere around half the population of the country.

Q: *Wow. So, you got there when? That date?*

WILLIAMS: In the middle of the winter, July of '63. The winters are not tough there.

Q: *Not so humid?*

WILLIAMS: Not humid, not hot, not cold.

Q: *Similar to Madrid in some ways?*

WILLIAMS: No, no. It's much milder.

Q: *So, your quarters and the impression of this beef all over?*

WILLIAMS: "Bife a la parilla" - I loved it. I lived in an apartment. You know, for quite a number of years I was really lucky, because every place I went, the exchange rate changed in my favor from the time I arrived until the time I left. I rented this nice apartment. The rent was in pesos, with a five percent annual increase, but I was perfectly happy with that. I had an entire floor of an apartment building. It was not a really palatial apartment, but it was a very nice one for someone of my rank and one where I could do some entertaining which was one of the things that I had done to some degree in Madrid. I wanted to do more entertaining of the local people and get to know people, bring people together. So, I was able to do that. I had a dining room table built, because though nominally "furnished," it didn't have an adequate dining room table, so I had one built. There was a cabinet maker who had a shop just up the street from me. One

side of my apartment building was semi-circular, rather than being square, and my curved balcony looked out over the River Plate. So, I could see up the River Plate from one end of my balcony and down the River Plate from the other end. It was a beautiful view.

Q: How amazing. What floor, how high?

WILLIAMS: Fifth floor. Anyway, I had this dining room table made.

Q: What kind of wood?

WILLIAMS: It was a Brazilian hardwood similar to mahogany, but lighter than mahogany, and I can't remember the name of the hardwood now. The table is right down in my basement here, because where am I going to put it? Where am I going to put a big dining room table in here?

Q: Did you choose the wood or did the cabinet maker?

WILLIAMS: I chose the wood, because he showed it to me. He said, "I've had this wood out here drying out for five years and I don't think it will warp." I told him I wanted a solid wood table, I didn't want veneer. He made it of four slabs of wood. The table is one meter by two meters, so the slabs are two meters long by a quarter of a meter wide and it's about two inches thick. It's sitting in my basement here, because I don't have any room to put it. I wish I did. I wish I had a bigger house.

Q: It sounds magnificent, really wonderful, but also something that you liked, the look of the wood would appeal to you.

WILLIAMS: I loved it. My guests all loved it, because I wouldn't cover it with a table cloth, I'd just put placemats on it so people would admire the wood.

Q: So, how did he finish this off? Well, it really didn't matter I suppose, just a very beautiful piece of wood.

WILLIAMS: Yeah, just a lovely piece of wood! Anyway, I did entertain. I started there to really entertain a fair bit, because my job permitted it.

Q: And even required it?

WILLIAMS: Well, let me put it like this. I could have gotten away with a lot less than what I did, and I don't know if I would have gotten criticized on my efficiency reports for it or not. My predecessor in the job had not done the same amount of entertaining, but he was always spoken of highly. Anyway, I really wanted to, because I felt it was important to bring Americans in the Embassy and in the business community together, to get to know these people from the different countries of the Latin American Free Trade Association, as well as Uruguayan officials who were connected with economics and business. I really felt this was a very important part of my job. I got to know a good many people who subsequently, like Julio Sanguinetti, Luis LaCalle and Juan Bordaberry who became Presidents. When I met Sanguinetti, he was a Parliamentary

back-bencher. He was a fairly new Deputy of the Colorado Party. That was the Liberal Party and the Blanco Party was the Conservative Party. He was a new liberal Colorado Member of Parliament. I got to know him, I got to know quite a few others. It was just a very enjoyable experience.

Q: How did you go about meeting or working up a guest list or getting to know the different people? How did you create some of those networks?

WILLIAMS: Just by going and calling on people. Also, I had help from a senior Foreign Service National employee. We use to call them Foreign Service locals and now they call them Foreign Service Nationals. I had one named Zafiriadis. There were two brothers working in the Embassy. One of them worked for the Ag. Attache and the other one worked for me. A lot of these people he knew personally, but about the ones that he didn't know personally, he could tell me which ones were more influential and which ones were well connected and which ones that I could just forget about, because they weren't in any position to help us or didn't particularly want to be of any assistance or get to know Americans better. But most of them did, you see. That was the nice thing about Uruguay -- there were so many good, nice people there. I guess you can tell a lot about people by what other nationalities in the general area think of them. Everybody liked the Uruguayans. The Argentines, the Brazilians, the Chileans, all liked them.

Q: Let me ask you. I'm thinking another way. Maybe this is a very broad question, but how did the Uruguayans think of say, North Americans in the '20's, '30's, '40's? How were we thought of as North Americans?

WILLIAMS: We were thought of as being very marginal. There was very, very little trade between that area. (Both Uruguay and Argentina) and the United States in the '20's and '30's. Back at the time of World War I, there was more trade, but their main trading partner was always England. That was their big customer. England had a lot of influence on both Argentina and Uruguay, and we had really very little. Yes, President Roosevelt did go down there in the '30's, and we had a meeting of the Pan American Union in Montevideo and one in Buenos Aires, but that was about the only time they ever saw any real American dignitaries. We didn't pay much attention to those countries, except when some big World Court case came up and some of the Latin American countries would get all over our case, because of our mistreatment of the poor Mexicans or the poor Venezuelans or something like that. But our relations were not an important factor for them, nor for us.

Q: What about German or French or Spanish influence?

WILLIAMS: Well, the Italian influence was stronger than German or French. The Germans had some influence in Argentina, but not so much in Uruguay, and the French, very little. There were a lot of Italian immigrants in the whole River Plate area.

Q: How, when, why was there a major influence?

WILLIAMS: Same reason they came to the United States in the late 1800's and early 1900's. They came just because things were economically very bad in Italy and then came World War I.

So they poured into South America. You know this old joke about Argentina in which an Argentine is said to be an Italian who speaks Spanish and thinks he's an Englishman.

Q: When people poured in from Italy, would they have gravitated to the cities or did they spread out to seek land?

WILLIAMS: Mostly the cities. I don't know, I guess it's hard to generalize, but if I had to generalize I would say they stayed more in the cities, while the Spanish-descended people were largely the population of the smaller towns in these countries. Now, of course, the Italians did get into the major cities of the interior in both Uruguay and Argentina, but mostly they were concentrated in the capitals.

Q: O.K. I interrupted you on the thought about your particular work, receptions, meeting Uruguayan people, trade, and your interest in the work. That beginning time was when?

WILLIAMS: July, 1963.

Q: So you began to meet people from the country?

WILLIAMS: Oh yes. I met lots and lots of people and I really, as I said, made an effort to go out and with the advice of my guide Mr. Zafiriadis, I did zero-in on quite a number of influential people; people who had influence then, and others who later on gained more influence. There were some good people at the American Embassy at the time too. In fact, my best friend there -- we were really close at the time -- subsequently left the Foreign Service and is now President of the New York Federal Reserve Bank.

Q: Who was that? You may not want to do that?

WILLIAMS: His name is Bill McDonough.

Q: Anyway, a good friend. So, what did you see as your primary goal, or goals; how did you do your work?

WILLIAMS: What I did was this. Almost every morning, I would go around to one or more of the offices of the countries that were members of the Latin American Free Trade Association. This meant most of the countries of South American plus Mexico. I would call on them, usually having established a friendship or at least an acquaintanceship with some individual there. I would usually call up a guy and say, "Look, why don't we get together and have coffee or have lunch or something like that?" Then, I'd go around to talk to him and ask, "What's happening today?" I couldn't cover all of them in the same day, of course. Maybe I'd do two a day and do the rounds and cover all the countries at least within a period of two weeks. I tried to cover the big ones, Brazil and Argentina, at least once a week. Then I'd also call on the Uruguayan officials who were in charge of that area. Of course, in the Uruguayan government, not all of their economic/commercial type people were concerned necessarily with ALALC, as they called it. I would see most of the people in the Uruguayan government who were concerned with economic and commercial matters, especially when some question arose which was of concern

to some particular American industry or some particular American company. I would just do my rounds and then I would come back to the Embassy and I would write up what I had learned. Usually there was something that was worth writing up. Then if it was important, I'd send off a report to the Department of State that very day, or maybe I'd save a few days and then put it all together into a more thoughtful kind of analytical airgram or cable. I just wanted to make sure that I knew about anytime anything important that was happening in the economic and commercial field. My boss was also doing a lot of the same kind of thing, but sometimes at a higher level in the government, although not always, because I had a certain advantage. Let me put it like this. I was still unmarried and I very soon acquired a girlfriend. This girlfriend actually worked in the Embassy, though not in the same office that I worked in. She was from a very old and influential family. So I met a lot of people through her and her family, especially down in Punta del Este, the beach resort, in the summer time. You see, at the time, my title was Second Secretary of Embassy. That is not a very high rank. O.K. I was Deputy Chief of the Economic Commercial section, but my diplomatic rank was Second Secretary and that's just not high enough to go and call on a Minister or a Deputy Minister or maybe even an Office Director in the government, unless you have some special access to him. Well, I had this access to some of them at least. The Minister of Agriculture was a good friend of one of my girlfriend's brothers. She has several brothers, most of whom were major lawyers. So, on the beach at Punta del Este in the summertime, this young woman and I would stroll down the beach and she would wave to people she knew, and we would go over to talk to them. They might be very high ranking people, not necessarily in the economic and commercial field. It got to the point where I would make up a big gallon thermos jug of vodka and lemonade, of my own formula. It was very good anyway. It acquired a certain reputation.

Q: *Sounds very good.*

WILLIAMS: We would walk down the beach with that thermos jug and somebody would holler, "Hey, hey, hey, come on over and sit down and talk." So, we'd go over and I'd pour everybody a drink and I would have a conversation with the Deputy Minister of Industry or with the Minister of the Interior, the Minister of Agriculture, people that I could not go to see in their offices. The Ambassador would never dream of allowing me, at my rank, to go and see these guys in their offices in Montevideo, but if I saw them on the beach in Punta del Este, how could anyone say I shouldn't go over with my girlfriend to talk to them, especially, if we were invited over?

Q: *Epecially with the vodka.*

WILLIAMS: Right. So, anyway I met a lot of people like that. Then there was this one old fellow that I met by chance. What happened was that my boss was going to call on him on some specific matter that the Department of State had instructed us to talk to the Foreign Ministry about, and this guy was the Chancellor, I believe they called him. He was the Administrative Head of the Foreign Ministry, an old guy, very distinguished, of Ambassadorial rank in the Uruguayan Ministry of Foreign Affairs. Anyway, my boss fell that morning and hurt his leg, and he couldn't go that day, but the appointment was for that day. So, he told me to go and call on this guy about this specific matter. So, I went and called on him. Like I said, a very elderly, distinguished gentleman sitting there behind his desk, and here I am, a young guy not of an appropriate rank, normally to call on him. He had a bunch of antique guns on his wall and I'm an

antique gun collector. So, I said, "I see you have a beautiful German Wheel-Lock and a Colt Model 1849 up there." He was surprised. We got to talking about antique guns. We spent an hour talking about guns before we finally got around to what I'd come to talk about. Well, from then on we were friends. So, from then on, anytime the Ambassador or my boss or anybody needed to have someone talk to him, I was the one that got sent over there, because they knew that I had this entree. I could get in to see him on short notice, while even the Ambassador might wait a week. So, every time I would go, I would tell him my latest gun news, like "I just bought at auction a lovely old Colt 1873, .45 pistol that was ordered by the Uruguayan Railways in 1880." He says, "Oh, could you bring it in and let me see it?" Anyway, that was the kind of relationship we had. This was just one of the many things that a young guy like myself at the time had to do.

Q: It sounds as if you were doing homework. You were doing research and making connections in many ways.

WILLIAMS: I think I was doing research, because coming right off a period at Yale where I had read a lot of literature on economic development and free trade areas and customs unions, I felt I was certainly the equal of any of the U.S. or foreign representatives down there as far as knowledge in those areas was concerned. They accepted me as an equal, even though I was not their equal in age or rank or anything, but they did accept me as an equal professionally, and that helped a lot.

Q: You had been doing your homework in all sorts of ways. Want to find out a little bit more about the types of trade that you or the American Embassy were involved in. Tell me a range of the types of trade.

WILLIAMS: One of the things was that some American companies were interested in setting up subsidiaries there. There were some that already had subsidiaries, meat packing plants and things like that. One of the major problems was the hoof and mouth disease, "aftosa." Though it was prevalent in South America, fortunately we had managed to eliminate it in the Northern Hemisphere by joint efforts between the U.S., Mexico and Central America. So, North of Panama, North of the Darien Gap there was no hoof and mouth, but all over South America there was. Therefore, our regulations were very strict: no fresh, frozen or chilled beef or meat of any kind from South America. It had to be cooked or canned. Well, canned is cooked. They were very annoyed about our not permitting them to export fresh beef to us. They said, "If that's frozen, that's going to kill most of the aftosa bugs, and the British and the French import our stuff, so why won't you?" But we had a very strict law against that. For a couple of decades in the twenties and thirties we went through the exercise of eliminating of aftosa from United States, Mexico and Central America by just killing the animals that had it and burning their bodies, and that wiped out a lot of ranchers. If hoof and mouth broke out in a herd of cattle in Mexico or in Texas or Arizona somewhere, just slaughter them all.

Q: The whole thing?

WILLIAMS: The whole thing. The government would give them some kind of compensation, but probably not as much as they would like.

Q: Was that governed by the U.S. Department of Agriculture or another agency?

WILLIAMS: Yes, U.S. Department of Agriculture, right.

Q: O.K.

WILLIAMS: So, anyway, that was one of the major problems that they were always trying to get us to change. They would try to hold up other things, you know, try to hold us to ransom in other areas. We favored the Latin American Free Trade Association for several reasons. One, because just as we had decided in Europe, that creating a larger market would increase economic activity and thus, would increase the market for American products, as well as their own local products, we had decided the same thing, although more tentatively, about Latin America. More tentatively because their effort was more tentative. We felt that it would be to the advantage of American companies to be able to, say, manufacture automobiles in Argentina. Let's say, have a plant in Argentina, import the radiators from Uruguay and the headlights from Chile and the windshield wiper assemblies from Paraguay or some place like that. These are not necessarily the exact places, but I'm just giving you an example. If we could do that, then it would be to everyone's advantage, because the cars could be sold cheaper and the American company could sell more cars. Of course, also the foreign companies, the Fiats and the Volkswagens and others could sell more cars too. But, our American companies would be selling more cars.

Q: I see. It sounds like a huge coordination problem.

WILLIAMS: Well, it was. It did get to be a big problem, but they were solving it very well.

Q: So, some of the companies were actually doing that?

WILLIAMS: Yes, some of the companies were doing that kind of thing.

Q: Which companies?

WILLIAMS: Well, at the time, let's see, who did we have down in South America? The automobile companies that I was thinking about who were wanting to manufacture in one country and import and set up parts manufacturing subsidiaries in the other countries ... well, Kaiser was the first one into Argentina. Do you remember Kaiser Frasier? Then, after that, there came a German company, Borgward. It's now out of business. Then Ford, General Motors and Chrysler established down there. Then, Fiat and Renault. There were a lot of other companies too. We had General Electric down there. I could go back and get my old directory of the American Chamber of Commerce and see who all was there. But, many of the major American companies had subsidiaries, small ones, in Montevideo. Of course, the shipping companies always had one problem or another, because, a lot of these countries were always trying to invent new regulations that would give advantages either to their own shipping lines or to the shipping lines of neighboring countries with which they had an agreement of some sort. These would discriminate against American or other outside companies. So, we had problems of that kind.

Q: How did that balance work, or was there balance, or were North American shipping companies pretty well screened out?

WILLIAMS: No. They were able to come. We had Delta coming down there on a very regular basis and Moore McCormack; and one or two others. They weren't screened out. Every now and then there would be some effort to disadvantage them. We would have to go out and try to help them. We could not complain if the government adopted a regulation which affected all shipping companies (or any kind of companies) in the same way, including their own domestic ones. But, if they tried to discriminate, that was when we went in and protested.

Q: Could you figure that out? Did you know it was happening? Was this under the table?

WILLIAMS: Let me suggest this, that when we get to Argentina there is a much more fertile field to talk about exactly that kind of thing. Because, then I had a higher position and I dealt with a lot more important economic matters. So, if we can postpone that ...

Q: O.K. That makes sense. So, the vodka on the beach now, the coke, the 45's on the wall, not the coke 45's in the glass. The guns on the wall. So, that worked because you did have entree and other people and the higher ranking people maybe did not.

WILLIAMS: Well, you know, I had a guy in the Ministry of Economy who was -- we got to be very good friends. In fact, later he was best man at my wedding. We were always exchanging information on who was in and who out and who to talk to and who not to talk to and so on. And, I'm sure he was treating me just as if -- well, we felt very close, almost brothers, you know. Anyway, I really did enjoy my time in Montevideo, although it got cut short for personal reasons. I told you about the girlfriend I had.

Q: Yes.

WILLIAMS: Well, all of a sudden I met another girl. So, I sort of got to going with her and ended up marrying her. At that time, there was a rule in the Department of State, a very firm rule, adhered to by Mr. Crockett, who was the Assistant Secretary for Administration. We called it one of Mr. Crockett's crocks. This particular crock of Mr. Crockett's was that if a Foreign Service Officer married a foreign woman, aside from all of the formalities you had to go through to even get permission to marry a foreigner, you had to take her immediately back to the United States to be Americanized. At that time, by the way, in order to get permission to marry a non-American woman, you had to put in all kinds of information about her and her family and everything, and you had to put in your resignation. If they did not like her for some reason or other, all they had to do was accept your resignation. They did not have to explain why they didn't like her. So, I did. I jumped through all of those hoops.

Q: That sounds like a scary process, like a life-threatening process.

WILLIAMS: Well, it was a scary process. Although, my fiancée was. I think if anybody was a safe bet my fiancée was. First of all, she was very young and had not done much of anything. She was not a member of any extremist groups or anything like that. In fact, not any groups that I know of, and her father was an agricultural products manufacturer. He was a New Zealander, not an Uruguayan, and her mother was a German-Jewish refugee. The family had gone down to

Montevideo before World War II. When I met her she was twenty-one and when we got married she was twenty-two. So, she really was a pretty safe bet, I thought. Oh yes, she was born in Canada when her father was up there working during World War II. She was a Canadian citizen, but also a New Zealand citizen, because of her father. Actually, she could have gotten an Israeli passport too, because of her mother. Anyway, as soon as we got married we were on a boat to the United States. That interrupted a very interesting process, which was an attempted recruitment by the K.G.B. The K.G.B. was trying to recruit me.

Q: *Why?*

WILLIAMS: Well, you know why. You mean "how"?

Q: *Well "why," "how," "when"?*

WILLIAMS: Well, "why": obviously, I guess they wanted to get a new recruit, a new agent. I don't know what made them think that I might be an appropriate recruit, except that I was young, fairly young anyway and unmarried. Maybe they thought that that's the type -- maybe I fit a profile or something, I don't know. Anyway, in Uruguay at the time, we had a diplomatic officers club which had lunch meetings every couple of weeks, or every month, something like that. At one of these club meetings, a fellow came and sat beside me and we got to talking and it turned out he was a first secretary at the Soviet Embassy. A very friendly fellow, and we got to chatting away. He asked me what I did and I told him about ALALC (LAFTA, in English) and how I was our observer at ALALA. And he said, "Oh, that's very interesting, could you tell me a little more about that, because they don't like us over there and they just don't like to see us come in, and they won't talk to us or anything; couldn't you give me some information about it?" So, I said, "Sure, I'll be glad to." He said, "Could you give me your latest -- do you write reports periodically? You could give me your unclassified report on it." So, I said, "Sure, I can give you that." I was already giving such reports to several contacts. I was a good friend of the Egyptian Counselor and a couple of others who were outside of the Latin American area. So, as a favor to them, you know, to keep up contacts with them, I would give them, copies of my unclassified reports. So, I gave him a copy of my most recent report and he read it. Then, when he came back the next time, he asked me to lunch. He said, "I found your report very interesting; have you got any other reports that would bring me up-to-date, any previous, unclassified ones?" He said, "I'm not asking you for anything classified, oh, no, no, no." So, I gave him some others, previous ones that would bring him up-to-date, where we stood. Then, he invited me over to his house and I met his wife. He was one of the few that Soviet Embassy people who was allowed to live outside of the compound. They had a compound; most of their officers lived there.

Q: *About how many people might have been in the Soviet Embassy at that time?*

WILLIAMS: I really have no idea but, I would say at least fifteen or twenty. I don't know how many others they might have had undercover.

Q: *Would they have had people at the Embassy for many years?*

WILLIAMS: No. They had more or less the same kind of policy that we did, fairly frequent transfers. I know that this guy had been there for three or four years.

Q: How long had the Embassy been established?

WILLIAMS: Probably, since the 30's.

Q: These reports, did they deal with agriculture?

WILLIAMS: They dealt with everything that the ALALC covered, which was both agriculture and industry throughout the whole region. I would concentrate more on the economy and the countries that were closer by, rather than trying to get into Mexico. Although, anytime the Mexican delegate had something important to say I would always report that.

Q: So, your reports would be on Uruguay, Argentina --

WILLIAMS: Brazil, Chile, Peru, and Venezuela. But, anyway this guy was really after me. Any contact with the Eastern European countries or any of the Soviet Bloc, we were suppose to report that. So, I reported it, of course, the first day that I had a contact with him. The CIA station chief there said, "Oh, very interesting, very interesting. Got to keep up the contact; let us know how it develops." Be simpatico." Later, the station chief told me, "You know, one of the reasons why we like to keep these contacts going like this, first of all, see where they're going, and second, because the guy may be thinking in the long term about a possible defection." He said, "The K.G.B. has most of their people convinced that the American government, the American Foreign Service in particular, is just full of their agents. Therefore, if one of them wanted to defect, he wouldn't know whether he might be trying to defect to one of their agents who would turn him in. So, maybe he wants to get acquainted with you so he can make a judgment as to whether you are one of their agents or not, in case in he should want to defect in the future." So, I thought that was very interesting.

Q: It sounds like an enormous maze, just enormously complicated.

WILLIAMS: Oh, it was. But, pleasant. I would go over to his house. His wife was a very attractive lady. She didn't speak very good Spanish, but she did speak some. We would sit there and sip that very good vodka and eat caviar. Boy, that good old Beluga caviar. I've never eaten so much caviar in my life.

Q: So, the caviar was shipped in, I suppose?

WILLIAMS: Oh yeah, sure. That was not your River Plate sturgeon.

Q: And the vodka, I'm assuming --

WILLIAMS: The vodka was good old Russian vodka, Stolichnaya, you know.

Q: What proof do you think -- doesn't matter maybe?

WILLIAMS: How about at least a hundred proof, I'm sure.

Q: *Alright, so you sipped some and had the caviar.*

WILLIAMS: Anyway, he gave me some books by Marx and Engels. I've still got them at home. I read them through. I really did. I found it most interesting, because I had never read much of Marx before. I had read only the odd article or two.

Q: *Should I ask, in English or in Russian?*

WILLIAMS: No, in English, published in Russia.

Q: *I see.*

WILLIAMS: Anyway, it was all a very interesting thing. Then, I got married and was immediately on the boat; so the last time I met him, he said, "I'm so sorry you're leaving, because I was really enjoying these contacts that we've had." By the way, he had already let me know that he knew the difference between the various classifications. "Limited official use" was the lowest. That's not even considered classified, security classified, that's just "limited official use." Then, "confidential." He was already asking me if there wasn't something else I could give him. He said, "I know your confidential documents are not really all that important, wouldn't you be able to maybe slip me something like that, of course only on the Free Trade Area?" I think I had been authorized to give him something low-classified just to keep him going. Whatever it was, I made sure I had written authorization from someone or other in the Embassy to do it, because I didn't want somebody to just tell me, oh yeah, go ahead and do it and then maybe later on I might get clobbered for it. I was still thinking about McCarthy, because when I came into Foreign Service, McCarthy was still active. Well, not very active, but still there. Anyway, my new wife and I came back to the States. That put an untimely end to a very pleasant and I thought a productive tour of duty for me.

HORACE Y. EDWARDS
Public Affairs Officer, USIS
Montevideo (1964-1967)

Horace Edwards was born in Texas in 1915. He completed graduate work at the University of Colorado and at the University of Pennsylvania before he was turned down for military service. He went into North American Aviation defense work and joined OMGUS after the war. Mr. Edwards served in Mexico, Uruguay, and Spain. This interview was conducted by G. Lewis Schmidt in 1989.

EDWARDS: We had a large force of locals working for us. The Uruguayans are a very highly educated people. They have a high level of medicine, high level of public health. It's not one of

the places where you go and say, where can we drink the water? Here, any place you drink it, anywhere in the world you go in Uruguay. We had some very good employees there.

We had excellent contacts with all the information services in Uruguay, and Uruguay had more newspapers per capita and more radio stations per capita and TV stations than any nation in the world. And we had excellent contact with all of those, very good working relationships with them. The co-director of one of the important newspapers there became a very good friend of mine and later became president of Uruguay. He was also a good friend of two or three other people in USIA there at the time.

One of the best programs we had in the information field there was the program that was modeled more or less on the old Huntley/Brinkley show here in the United States. This was on TV, and Frank Chiancone was the Press Officer at the time.

Q: Could you spell that name?

EDWARDS: C-H-I-A-N-C-O-N-E. Frank got two of the best known announcers in Uruguay to be on this news program. They were very good and it soon became the most popular news program in Uruguay.

Q: Were these people who had previously been personalities in television?

EDWARDS: Oh, yes, these were people who had already been stars, one of whom had been our regular employee for a long time, and the other one was on contract and Frank put the two of them together on this well-planned program. It was a great success.

CHARLES H. THOMAS, II
Peace Corps Director
Uruguay (1967-1969)

Charles Thomas was born in New York in 1934. He received his bachelor's degree from Harvard University and then served in the US Navy from 1956-1959. His career included positions in Mexico, Bolivia, Honduras. Ambassador Thomas was interviewed by Thomas Stern in the beginning of June (year unknown).

Q: And in '67 you went to Uruguay as director.

THOMAS: Right.

Q: Out of the clear blue sky?

THOMAS: Yes. Pretty much.

Q: Had you indicated that you wanted to continue in the Peace Corps?

THOMAS: I made it clear that I wanted to become a director someplace.

Q: *I see.*

THOMAS: Just to run my own program.

Q: *And did you have any trouble with State Department on staying on?*

THOMAS: No. No. Not a bit. State was sort of encouraging this sort of thing at that point. There were a fair number of FSOs who did this including Dick Holbrooke.

Q: *He became Peace Corp director?*

THOMAS: In Morocco, yes.

Q: *Oh, really?*

THOMAS: Yes. That's right.

Q: *I didn't realize that. How was the program in Uruguay? Was it much different than...*

THOMAS: Uruguay was completely different because essentially...Uruguay at that point was an under developing country.

Q: *Under developing country?*

THOMAS: Yes. It was about the same level as Argentina.

Q: *Working its way down.*

THOMAS: Which meant that they had been at the level of Canada in the 1930s. They were just working their way down. It had a high literacy rate, a lot of people questioned why the Peace Corps was there at all because of...

Q: *A lot of Americans?*

THOMAS: Americans and even some Uruguayans. Not a lot because they didn't know that much about the program. Because there's always resistance in Washington to having a program in a country like Uruguay.

Q: *Because?*

THOMAS: Because it was so developed.

Q: *Oh. I see.*

THOMAS: The mindset was that the peace corps is for underdeveloped countries and it's not for developed countries or even under developing countries.

Q: *Now how big of a program was it?*

THOMAS: The program ranged from about 15 to 23 depending on the cycle.

Q: *And the emphasis?*

THOMAS: The initial emphasis was a 4H program.

Q: *4H program?*

THOMAS: Yes. They had an equivalent organization of 4H.

Q: *Why 4H?*

THOMAS: Well because of the farming country and 4H could do a lot of things in that area. Although it was farming it was not terribly rich soil. It was not very efficient farming country so there was an area there for technical assistance and training younger kids.

Q: *And do we have an AID program?*

THOMAS: Yes.

Q: *We have AID by then.*

THOMAS: A small AID program.

Q: *A small AID program. Was there any duplication or overlap?*

THOMAS: There was a willingness to cooperate on the part of AID. There was a very strong willingness. There were a number of places where they helped fund little projects. But there weren't any obvious places or big cooperation.

Q: *Did you try to change the nature of the program at all?*

THOMAS: Well we changed it a little bit. We also had an inherited program called leisure time activities which was sort of a strange program. I think the initial program that we put it in there just to get it into the country. It was basically to develop programs that would be working with kids when they're out of school and that sort of thing. Those are the two initial programs and there was a third which was a basketball program. Uruguay traditionally had been a basketball power in South America. They had sent down a group of basketball volunteers to work out in rural areas and the cities too, to develop better programs. Unfortunately for some reason they

never had the basketball players, I think our Peace Corps volunteers, playing together very much. That was sort of a disastrous start. They formed a team and they got beaten by everybody.

Q: *They being?*

THOMAS: The Americans.

Q: *Volunteers?*

THOMAS: Volunteers. Yes.

Q: *And they got beaten by everybody?*

THOMAS: Which damaged their credibility as instructors. They would have been better off if they had really developed their teams with everybody else.

Q: *Well, there is no common theme between 4H and basketball coaching.*

THOMAS: Well there is in a way. You're dealing with youth.

Q: *That was the emphasis?*

THOMAS: Yes.

Q: *In the hopes of?*

THOMAS: In the hopes of having some impact upon development sort of indirectly through personal contact and new ideas. And also just helping out with a country where the money available for youth programs is pretty much drying up. The economy was in a real crisis at that point. We were right on the edge of the beginning of the Tupamaro terrorist activities.

Q: *I want to get to that in a second. The suggestion was that we sold a peaceful program to the Uruguayan government.*

THOMAS: I'm not sure that's true because I wasn't there at the beginning and I don't know how much arm twisting.... You remember Sergeant Shriver went around the world getting everybody to take the Peace Corps. Ours to some degree was sold because here's a guy, the brother-in-law to the president, the major power in the world wants to do something and there are very few countries that are willing to say no to that. They said, "What the hell. Let them come in."

Q: *By the time you got there it had been running for four or five years?*

THOMAS: Well it had been running for two years.

Q: *Two years only?*

THOMAS: Yes.

Q: *Oh. It started after Kennedy's assassination.*

THOMAS: Yes. Yes.

Q: *I see. So it was still very early in the game.*

THOMAS: Yes. I mean Kennedy might have been...

Q: *You got there in '67?*

THOMAS: Yes.

Q: *Were there areas that the Uruguayans were interested in having you move into that you couldn't satisfy?*

THOMAS: Well, they wanted to move into educational TV for children. There are a lot of vague ideas about how you might do this. This was before the days of ...

Q: *This was early in the game.*

THOMAS: This was before the days of Sesame Street, which was sort of the idea I had-something similar to Sesame Street. We tried to find some volunteers who could capture that idea and help to monitor and develop the programs.

Q: *These were the TV production types?*

THOMAS: Yes. Yes. And we got a group of volunteers like that. We got about 25. They were going to work with the education ministry to develop these programs. There was a lot of turmoil in the ministry and mixed commitment for this effort. The volunteers, I think they never really quite figured out how you put together this kind of program. Plus it turned out there was a big equipment shortage as well. This really did not work out at all.

Q: *At what general conclusions did you arrive from this experience-or your experiences in the Peace Corps-about what makes a Peace Corps program effective?*

THOMAS: Well, first of all...

Q: *I'm talking In terms of economic development, not in terms of the American experience.*

THOMAS: Well first you have to have a local agency, organization, whatever, individual to handle the country end of it, that is the local nationals. Without that it doesn't work very well. Now that can be either on a national government level or it can be on a local level. For example Peace Corps in Hungary had a lot of support at the local level where housing was provided and

this was done not through the national government. That is a primary requirement to make the thing get off the ground, is commitment and the capability to support Peace Corps activities.

Secondly you need a program that the country perceives as useful in some fashion. And you need well qualified volunteers. Now you have to remember back in those days there were a lot of what they call “bags” –BA graduates with no real experience.

Q: *Bags?*

THOMAS: They were given some training by the Peace Corps but they weren't generally technically qualified. We did have some qualified volunteers in the TV area. Many volunteers...

Q: *But what you are trying to say is enthusiasm is not always enough?*

THOMAS: Well that's the conclusion I had. But it's also the conclusion of the Peace Corps. The Peace Corps today is very much staffed by older, more experienced, technically more savvy volunteers.

Q: *Well it's a different Peace Corps than it was it '62.*

THOMAS: Yes. So the younger graduate with a BA degree usually receives two or three months of training in agriculture, or something like that, it's just not as useful as the real thing. Finally, would be that you need to give as much responsibility to the volunteers themselves in running the program.

Q: *Tell me a little about that. You finally made some changes in the management of the Uruguayan program.*

THOMAS: Yes. We tried to get the volunteers to take as much responsibility as possible. We certainly did in the administrative area. The critical issue was...The question of living allowances was always a contentious issue in the Peace Corps because the volunteers typically would say, “It wasn't enough.”

So we just said, “Okay. Henceforth, it will be for the volunteers to set their own allowances,” and it worked very well.

Q: *And you found that they did not take advantage of you..*

THOMAS: If anything it was the reverse. If anything they set them too low.

Q: *And what other decentralizations?*

THOMAS: We tried to... The problem in Uruguay where it got really interesting was we didn't have enough volunteers to really have a critical mass where we could have them help develop programs. We did some program development. The volunteers helped work on a program to combat something called Hydatid cysts, which is a disease that affects humans. It's transmitted through sheep and dogs. It's a major problem...

Q: *Like ticks?*

THOMAS: No. It's a cyst or I'm not exactly sure. I forgot exactly...

Q: *Spreads by contact?*

THOMAS: ...what the agent is but it's transmitted from dogs to sheep to humans. It creates a big cyst in your stomach and you eventually die from it. A big problem in Uruguay and it can readily be solved through educational programs. We had the volunteers develop a program like that. I left before it was actually...

Q: *This was a health program.*

THOMAS: Yes. That was something the Uruguayans wanted and which was very important for them.

Q: *You're suggesting that you would have liked to have a great number of volunteers?*

THOMAS: It would have been helpful to have more volunteers to implement that kind of... We could deal with what we had but you have to consider the fact that volunteers are scattered over a very large country comparatively speaking. You didn't have that many chances to get them together to sort of kick around ideas and come up with new programs and things. The density of volunteers was so low.

Q: *But you did see all of them? I mean you went and visited all of them?*

THOMAS: Yes. You saw them a lot.

Q: *How about your relations with the embassy. Who were the ambassadors at that time?*

THOMAS: The first ambassador was...I forgot his name but he died playing baseball at a picnic in Uruguay. He is the one who had never set foot out of Latin America, a very nice guy. And then he was followed by Bob Sayre.

Q: *And both were very supportive of the Peace Corps?*

THOMAS: Yes.

Q: *And didn't really interfere with your operations?*

THOMAS: No problem.

Q: *Did you see them frequently?*

THOMAS: Yes. I used to go to country team meetings.

Q: *Did you?*

THOMAS: Yes. With Bob Sayre.

Q: *Now the reverse of the coin. Did you get involved in domestic politics at all? Uruguayan politics?*

THOMAS: No, No.

Q: *Did they try...*

THOMAS: The left occasionally would attack the Peace Corps.

Q: *And you would respond or silence?*

THOMAS: No. No. It was...I can't remember more than maybe once or twice that that happened. It would be in a leftist newspaper but it would have been counterproductive to even respond to it.

Q: *And the government did not try to drag you into any of their political problems?*

THOMAS: No. No.

Q: *So both sides, both the embassy and the government, left you pretty much alone?*

THOMAS: Yes.

Q: *How about the AID program? Did they try to...*

THOMAS: AID was just very supportive and tried to be helpful and would have been happy to engage in joint programs whenever they could.

Q: *But? You couldn't get the volunteers?*

THOMAS: We just couldn't get the volunteers.

Q: *Now there was some unrest while you were there in Uruguay.*

THOMAS: Well Not really. What there was was the Nascent terrorist group that was beginning to develop. When we were there it hadn't really developed. The only thing it had made were we had a few incidents where they did some things that were more on the humorous side than the dangerous side. For example they left a bunch of very embarrassing government documents on the doorstep of the judge.

Q: *They being?*

THOMAS: The Tupamaros. And notified the media that they were doing this. That caused the government considerable embarrassment. They had not engaged in their kidnapping campaign and terrorist campaign at that stage.

Q: *But there were some...There was a general strike while you there. There was a student rise. Do you recall that at all?*

THOMAS: No. Nothing. It may have been but it was nothing that was you know really out of the ordinary. I mean labor was very strong there and there was strikes all the time but nothing that was surprising...

Q: *Out of the ordinary?*

THOMAS: Out of the Uruguayan context.

Q: *Let me go back to the management side, the personnel side, of the volunteers. Vietnam any more problem than it was in Honduras?*

THOMAS: Well at that point Vietnam was heating up more and more but there was not, there was no effort- at that point to involve Uruguay in a way that the volunteers would have observed it.

Q: *So it was not an issue for you? They never raised the issue with you?*

THOMAS: In Uruguay they didn't. No.

Q: *I want to go back to Honduras. I forgot to ask you. How did you handle the anti Vietnam feelings of the volunteers?*

THOMAS: We just let them talk about it. The only issue was, what are you supposed to say when somebody criticizes U.S. policy on Vietnam? The response to that was you are not an official representative of the U.S. government so you can say anything you want.

Q: *Oh. I see. I see. The issue was not I'm working for a government that's renegade.*

THOMAS: No.

Q: *That was not the issue. They just wanted to know how to handle the criticism.*

THOMAS: Yes.

Q: *And there was less of that in Uruguay?*

THOMAS: Well there was plenty of criticism but for some reason it didn't seem to touch the volunteers that much. It did not become an issue with the volunteers.

Q: What were the other major management issues? Now this was a small program. Roughly the same proportion of personnel problems as you had in the...?

THOMAS: I'd say there were fewer because...

Q: Fewer?

THOMAS: Just because I only recall one real problem where a volunteer was caught in flagrante by the husband so we just sent him home right away. Not because he was screwing around but because he might be attacked by the husband at some point. That was the only real incident.

Q: Did you come away from Uruguay with the feeling that the Peace Corps program was a useful program for the United States to conduct?

THOMAS: I did.

Q: And the volunteers all presumably came away with positive... Most of them came away with positive...

THOMAS: Well I think the volunteers in Honduras definitely did. The volunteers in Uruguay themselves had some doubts working because the presentation that had been made to them about the Peace Corps was that it was to assist in development. A lot of them were wondering what are we doing in an under developing country like this? So they had some doubts.

Q: They had some doubts about why they were there?

THOMAS: Yes.

Q: And the answer?

THOMAS: The answer that I gave was the Peace Corps transcends simply development issues. It's also a people to people program. Quite possibly that will be its most important long run contribution.

Q: You really felt that.

THOMAS: Yes. Sure.

Q: You are still a proponent of the Peace Corps even today?

THOMAS: Yes.

Q: Primarily as a people to people program?

THOMAS: Yes.

Q: And a way of expanding American people's view of the world.

THOMAS: Yes.

Q: I want to go back once more to the relationship between economic development. You seem to have some doubts about the Peace Corps ability to really influence economic development. True?

THOMAS: I have doubts about any foreign aid program having a significant impact on economic development.

Q: Now. Significant positive impact?

THOMAS: Yes.

Q: Because I think you said the Alliance had a negative impact.

THOMAS: Possibly.

Q: Possibly. So this is a general view you have of aid programs. We'll get back to that issue at a later stage I'm sure. How about the impact of the Peace Corps on bilateral relations?

THOMAS: That varies country by country obviously. It had I think quite a positive impact in Honduras. In Uruguay it was probably too small to be that perceptible.

Q: But Honduras you felt that it had a positive impact?

THOMAS: Well, it had reached the critical mass. It was well over 100 and they were all over the country. Almost everyone was aware of, or had some contact personally, with a Peace Corps volunteer.

Q: Okay, I think we might stop right here if you don't mind.

THOMAS: Sure.

ROBERT M. SAYRE
Ambassador
Uruguay (1967-1969)

Ambassador Robert M. Sayre became interested in the U.S. Foreign Service after serving for four years in the U.S. Army during World War II. He began his career at the State Department in 1949. Ambassador Sayre held positions in Peru and Cuba, and ambassadorships to Uruguay, Panama, and Brazil. He was interviewed in 1995 by Thomas Dunnigan.

Q: I was asking you, sir, about the situation in Uruguay when you arrived as Ambassador?

SAYRE: The situation in Uruguay when I arrived as Ambassador both politically and economically was very unsettled. We obviously couldn't do anything about the political side of the equation, but we immediately moved with the Agency for International Development to help Uruguay get its economy straightened out. Uruguay was in a deep recession, depression really, with a minus four percent growth rate. With the help of the Agency for International Development, by the time I left there some 16- months later, Uruguay had a positive growth rate. But it did have these political problems of the Tupamaros and as a result of all of that political difficulty, it turned into violence right after I left. Any place I traveled in Uruguay, and I visited every state in Uruguay, I had to go with a police car in front of me, a police car behind me, and a person sitting in the front seat with a machine gun, etc. I couldn't go anywhere in Uruguay without that kind of protection. The communists were very, very busy in Uruguay.

Q: I wanted to ask you about anti-Americanism and the Soviet influence at that time?

SAYRE: This was really Cuban. They were back of all of this effort on the part of the Tupamaros to cause trouble all over Latin America for the United States. It was at this time that our Ambassador in Brazil was kidnapped.

Q: Burke Elbrick?

SAYRE: That's right.

Q: And was there not an American killed in Uruguay?

SAYRE: That happened after I left. They kidnapped three American Embassy staff. They murdered the head of the AID police program we had in Uruguay (Dan Mitrione) because of the Soviet nonsense about the police U.S. training program. What we were trying to do was train Uruguayans to stop using guns to deal with crowds. We were teaching them to use shields and batons and everything else and stop just firing into the crowd with guns. And the head of the program was doing an excellent job of getting them trained to deal with these kinds of riots and so on. Because of that Soviet film at that time, and I don't remember the name of it, it led to this kidnapping and he was killed.

Q: A tragedy. Now Nelson Rockefeller visited Uruguay when you were there?

SAYRE: That's right. I went over to Asuncion and picked up Nelson Rockefeller and brought him to Uruguay. He met with the President of Uruguay. What he was doing was traveling to consider and come up with recommendations on what ought to be done about U.S. economic and political relations with the hemisphere.

Q: Was his visit a success?

SAYRE: It was a good success.

Q: Yes he was always welcome, it seemed to me, in Latin America. He'd done a lot for them. They liked him. Did you have an AID mission at the embassy at that time in Uruguay?

SAYRE: Yes we did.

Q: How about Peace Corps volunteers. Were any of them in Uruguay?

SAYRE: I did not have any Peace Corps volunteers in Uruguay because Uruguay had at the time, and still has, one of the highest ratios of literacy of any country in the hemisphere. And in those terms it was in reasonable shape.

Q: Was there any Washington interest in human rights issues in those days, as far as Latin America?

SAYRE: The United States has always been strongly interested in democracy and human rights in Latin America. This view on Latin America goes back to Presidents Jefferson, and especially President Monroe. It is very difficult to maintain peace, freedom and democracy in the United States if you do not have neighbors that believe in these principles. But it is not easy, because we have always been reluctant to intervene in the affairs of others. We now have a very encouraging situation in the Hemisphere because every country has a duly elected and constitutional government except Cuba. The United States and other countries are doing all they can to promote and maintain this situation on democracy.

HARRY A. CAHILL
Commercial Attaché
Montevideo (1968-1971)

Harry A. Cahill was born in New York, New York and raised in New England. He received a bachelor's degree in English from Manhattan College and served in the U.S. Army. His Foreign Service career included positions in India, Norway, Poland, Yugoslavia, Uruguay, Colombia, and Bombay. Mr. Cahill was interviewed by Charles Stuart Kennedy on July 29, 1993.

Q: Yes, I had exactly the same feeling. When did you leave Yugoslavia?

CAHILL: I left on the Fourth of July, 1968 and said, "Oh, how nice to escape a long July Fourth reception." We went in a red Volkswagen bus which I had bought in Germany some months before and driven to Belgrade. We now had six children, Steven almost born on a Belgrade-Munich plane in August, 1966. We headed north on a sentimental journey to historical sites like the battlefield of Caporetto, once in Hemingway's Italy but now in Yugoslavia. As we drove from Belgrade to Genoa we crossed much land that had changed hands at various times between Austria, Italy and Yugoslavia. So much of the north is vulnerable to irredentist claims. Back in America on home leave, the same VW bus took us on a tour of 36 states over six weeks. Time for the children to learn about their own country.

In November, 1968 we arrived in Uruguay. A year before, Nicky had said: "Do think of myself and the children. Are we always to stay in Eastern Europe, near the Iron Curtain? I am from South America, and children need to know their grandparents. Can we not go for one tour?" Henry Kissinger thought similarly with his Glopism doctrine against over-specialization in one area. Thus Personnel graciously sent me to Uruguay, just across the river from Nicky's native Buenos Aires. Some of my former bosses in the Service were aghast: "You have a great career ahead in East Europe. How can you throw everything away to go to that damned white shoe service?!". I became commercial attaché in Montevideo.

Q: You were there for how long?

CAHILL: Three years. A time colored dark by the Tupamaros, the first urban guerrilla-terrorist movement.

Q: Can you talk about the Tupamaros?

CAHILL: Uruguay was a democracy with a pervasive, excessive welfare system. One could retire at age 37 with full pension. There was too much protection for industry, too many subsidies for special interests, a stagnant economy, no growth for jobs. Almost the entire university student body took either medicine or law, and then found little career opportunity. No one studied science, engineering or agriculture. There was no constructive investment. Workers were frustrated as were intellectuals and students. Society was increasingly polarized, and from this malaise came some twisted youths bent on shattering the establishment.

Their terrorist movement began with attempts at humor. They would dress up in costumes, rent a hearse and with loud laughter would hold up a bank. Then the killings started and the fun and high jinks disappeared. Police were the first targets, then anyone. Venom was aimed at the Americans for "backing the regime and oppressing South America." Two kidnappings of our people were botched but USAID officer Dan Mitrione was seized, tortured and murdered. He was a very gentle, friendly man with nine children. A police officer from Pennsylvania, he had been brought in to coach the local police on setting up mobile communications. Just about then the East Germans published their notorious book listing "CIA agents" based in each country. Four were listed in our embassy. The other three left within months but I stayed on for years, innocent of all charges. Lyndon B. Johnson was also listed as a CIA operative. As a farewell gesture, the Tupamaros dynamited our house hours after we finally left for America at the end of our 3-year tour.

Q: I'm in that book too along with George McGovern and countless others.

CAHILL: A noble group. But my real job was to promote trade and international economic relations. We had success somehow. It was a pleasure to work with the Uruguayans. They were a genuinely giving, gracious people. Level of education and culture was high and the populace appreciated the finer things in life despite the unrest and pressure we lived with.

Q: It must have been very, very difficult with kidnappings going on, etc. Who was the ambassador and how did the embassy work under these conditions? And there you were with six kids. How did it all fit together?

CAHILL: One did one's work and thought: "If I do my work really well it will help the overall situation." So one worked harder. Guard cars followed us wherever we went. Our own cars had sirens in them. We often moved in convoys. Each residence has a full-time guard. The ambassador was Chuck Adair, a very able career officer. An outgoing, buoyant person, he replaced the more introverted Bob Sayre early in my tour. He and his extremely kind and supportive wife Carolyn were just right to lead us through those grim years. We did live under siege. My family lived very near the American School and the kids walked to class. We had hoped to use the adjacent golf course but the buildings were torched by the Tups. Overall, morale was steady and good. At least we had gorgeous sunsets. The sun sank over Argentina beyond the Rio de la Plata. It picked up the dust of the pampas and produced the most amazing mix of bright and soft colors.

On the issue of leadership, the Uruguayans and Argentines often said to me that our ambassadors should "look and act like ambassadors". They should have good physical presence and outgoing personalities as well as keen minds. The Latins did not appreciate small, mousy men. Exteriors were important.

Q: This was early Nixon period. What was our "mission" to do about the Tupamaros?

CAHILL: A key mission was to spur economic progress in Latin America and stop communist subversion. With economic growth political dissent would decline. Stronger links would be forged with the north. My commercial work had meaning. One task was to help Uruguay export. We even lent them our trade center in Frankfurt to do so. I remember helping put Uruguayan trade missions together as if they were American delegations.

Q: How did you find Uruguayan banking and financial systems? You were saying that there was much economic paternalism.

CAHILL: They too suffered from over regulation and protection. The "good families" controlled them. Favoritism was high and efficiency low. There were far too many lawyers. They profited from making murk and producing arcane laws which only they could interpret. One saving grace in banking and business was education in the US for young people. They returned and if they were not playboys they could effect some change. I particularly admired MIT alumni. A circle of them controlled almost all the well-run enterprises. Also good were banks like Citibank which served as models.

Q: You left there when, in 1971?

CAHILL: In July, 1971. During our years at post we used our leave time to travel. To Patagonia and Tierra del Fuego. To Bolivia and Paraguay and Chile. Through much of Brazil by car. To Peru and Machu Picchu and Ecuador and the Andes. I wanted to know South America as best I

could. Our children traveled on some of the trips with us. At home our sons profited by learning soccer skills. They had started in Belgrade but really advanced in Montevideo.

Q: Where did you go after Uruguay?

CAHILL: To ICAF, the Industrial College of the Armed Forces at Fort McNair.

JAMES L. TULL
Political Officer
Montevideo (1969-1973)

James L. Tull was born in Iowa. After serving in the US Navy from 1951-1955 he received his bachelor's degree and his master's degree at the University of Colorado. His career included positions in Colombia, England, Uruguay, Dominican Republic, Cyprus, and Costa Rica. Mr. Tull was interviewed by Raymond Ewing in May 2001.

Q: Why don't we talk about your role in the embassy as head of the political section? How many were assigned to the section?

TULL: It was a four-officer section: a chief, a deputy, a junior officer, and a labor officer, plus two American secretaries and one Uruguayan political specialist. At that time, Montevideo was a little Mexico City in the sense that Uruguay was the one country in South America where all the Communist Bloc nations were represented. The Soviets had a huge mission and we believed they operated many regional political programs from there. So our section was fairly good sized while our intelligence offices were several times larger. I served there almost five years with three different station chiefs. On the whole our relationships were pretty good, but there was always heavy competition in political reporting and analysis.

Q: But your main interest was not so much bloc and other embassies and missions, but more Uruguay internal.

TULL: That's right. Uruguay had had a highly developed democracy for a long time so traditional political reporting and all occupied much of our time. The new element was the effect on the political scene of an active urban terrorist group which also targeted us and other missions friendly to the GOU (Government of Uruguay) to some extent. We of course had seen this before- Ambassador John Gordon Mein had been killed several years earlier from some Guatemalan guerrillas who later kidnaped Labor Officer Sean Holly; a Brazilian group had also taken our ambassador, Burke Elbrect, for a time. Now, however, we faced what I believe was the best organized, most determined, and most effective urban terrorist organization thus far in the National Liberation Movement (MLN), also called the Tupamaros after the 17th century Peruvian Indian rebel leader Tupac Amaru.

Q: Were they aiming their effort at the U.S. or mainly at the Uruguayan government?

TULL: Their principal aim was to weaken and eventually bring down the democratically-elected Colorado Party administration of President Jorge Pacheco Areco. Part of that effort was to attack us and other embassies supporting the Pacheco government, such as the British and Brazilian, in the hope that other nations would withdraw their support and put such pressure on the GOU as to further weaken it. The Tupamaros were radical Marxist, almost anarchist at times, in ideology and were convinced that the country's democratic institutions were corrupt to the core. They themselves- doctors, lawyers, writers and others in the arts, university students and the like. They often spoke and wrote- they were prodigious writers and pamphleteers- of the need to awaken the "revolutionary consciousness" of the common people who they viewed as easily led and sheep-like- on occasion they referred to them as "cascariaje" or "floor sweepings." This was definitely not a popular, mass movement. They viewed the Soviet Union as too bourgeois!

Q: You had your family there and had to take certain precautions, I suppose?

TULL: Yes, it was difficult and confining- most of all I think for our single people who didn't have a family group to depend on. After the head of AID's public safety office was killed, we placed guards on all our apartments and houses, but with a bit of difference from the normal- our guards were inside rather than out, because too many outside guards were being attacked by the MLN. Also, unlike their Montenero counterparts in Argentina, the Tupamaros were always careful to avoid attacking or harming children or women. So in order to stretch our limited security money as far as possible, guards were in our homes only when the employee was there- the guard left when the employee did. We did this with eyes wide open but I know we all had some sleepless nights thinking, what about our wives and kids if we guessed wrong?

Q: Was the Tupamaro movement well underway when you arrived, and was it confined mainly to Montevideo?

TULL: Yes, it was underway but had, at that point, limited its attacks to a few non-lethal back robberies and arms thefts from police and military depots. The serious kidnappings and murders did not begin until later in 1969. The MLN, or "Orga" as they liked to call themselves, was classically organized into small, mainly independent cells in a loose hierarchy designed for maximum security and independent action at the lowest risk. There were some cells outside the capital, but even Uruguay's few interior cities of any size were too small to give much cover.

Q: Uruguay was a well established democracy, the so-called "Switzerland of South America." Was the government of that time pretty liberal or weak?

TULL: The short answer is that the administration of Jorge Pacheco was so fearful, weak, and- there's no other word for it- stupid, that it played directly into the Tupamaros' hands by weakening the country's free institution to the point where the military finally took over and democratic government, as MLN had hoped, collapsed. What the Tupamaros did not realize was that the price of their success would be their ultimate defeat. But there is some necessary history here. Uruguay had been living well for nearly fifty years through two world wars and Korea on ever-increasing prices for its three main exports: meat, wool, and hides. Out of this had come an advanced welfare state supporting a large and pampered middle class. In those days- and for

years and years- it really was possible to retire at age forty on a full salary. But in the mid-1950s, world prices for its goods spiraled down, never really to recover. The nation lived on its reserves until they disappeared, but neither the public nor their politics were willing to take the hard steps necessary to cut back and live within their means. Inflation outstripped salaries and living costs, the middle class became impoverished, and all the blame was placed on the “government and the corrupt politician.” And I believe from the dinner table conversations of woe by formerly economically well-off middle class parents came the young and embittered Tupamaro youth.

Q: As political section chief, you had lots of contacts in the legislature and the government.

TULL: Yes and on all sides. Uruguayans are usually very open and gregarious, which made it easy to do our work. We even had a couple of very tentative, second-hand contacts with the Tupamaros themselves, but these never came to anything really useful. We all had contacts throughout the administration who were highly intelligent and much to be admired but Pacheco himself, a former boxer and failed politician who took office from a dead-end position as vice president only upon the unexpected death of his popular predecessor. Pacheco could not bear criticism and viewed increasingly harsh and repressive measures as the only acceptable response to MLN attacks. Except for his closest supporters, our contacts could only shrug in resignation.

Q: To what degree did the Tupamaros get support or were influenced from outside Uruguay?

TULL: Ideologically, I think they were the closest to the Maoist Chinese or the Albanians. I believe they did get some material help from the Cubans and maybe some training too. Che Guevara was after all an Argentine who grew up only forty miles away across the Rio de la Plata and at that time, was still a tremendous hero-figure for much of Uruguayan youth. But there was no doubt that this was an indigenous movement.

Q: Before we talk about the election, the military takeover, and the end of the Tupamaros, why don't we discuss the embassy's AID program and the problems that developed out of that?

TULL: Our AID program was not particularly large- in the thirty-five to forty million dollar range of loans- nor did it have any unusual elements for Latin America at that time. We had efforts in the education, health, and agricultural advisory areas, but like many AID groups in the area we also had a public safety program devoted to helping modernize the woeful Uruguayan police.

Dan Mitrioni arrived in Montevideo about the middle of 1969 to take charge of our three-man public safety unit just as murders and assaults by the Tupamaros were on the rise. Originally, he had been chief of police in Richmond, Indiana, and had just completed a public safety tour of duty in Brazil. It did not take long before MLN pamphlets began to appear charging that Dan had been sent to teach the police “torture,” a double irony. First, modern police methods are the antithesis of personal mistreatment and second, it is ludicrous to think that any Latin nation which suffered through the horrors of Spanish colonial administration would have anything to learn from anyone about mistreating opponents. Nevertheless, as the Pacheco regime pressed for more and more hard police measures, even Dan and his fellow officers began to wonder about the viability of their program. Then one day in mid-1970 he was forced from his car, beaten, and

hustled away by a dozen or so MLN assailants. Despite a massive manhunt, a few days later, he was found dead on a suburban street, hands wired behind his back and shot four times in the back.

Almost immediately a further wave of violence broke: in short order, Brazilian Consul Gomide and British Ambassador Jackson were both kidnaped and held for over a year; our cultural officer Nate Rosenfeld was beaten by a Tupamaro gang as they kidnaped his car-pool mate and our junior economic officer, Gordon Jones, who was pistol-whipped nearly unconscious. Nevertheless, he was able to leap bound and blindfolded from the back of a pickup truck and escaped; and finally an American soils specialist, hardly known to any of us, named Claude Fly, was kidnaped from an Uruguayan agricultural laboratory and held until he suffered a heart attack and nearly died.

Q: Who was Claude Fly and why was he kidnaped by the Tupamaros?

TULL: These were exactly the questions we asked when we heard about it. As it turned out, Fly was not an AID employee or even employed directly by the USG, but had been hired by the Uruguayan ministry of agriculture with funds from an AID agricultural loan. By that time, our security guard was up pretty high. Fly's office in the country had no protection and the MLN probably realized that one American was about as valuable as another for kidnaping purposes. A number of months after Fly was taken, the only portable electrocardiogram machine in the country suddenly disappeared. The reason for this became clear one night when Fly was delivered to the steps of the British hospital in Montevideo with a full diagnosis of his heart attack and electrocardiogram record pinned to his jacket! A gift, we thought, from our friends at the university's faculty of medicine.

Q: So this was full blown crisis management. How was morale at the embassy?

TULL: Of course people were scared and precautions were tight. The ambassador made it clear that no one had to stay and that anyone could seek a transfer without prejudice. A couple of newly arrived single people did, but Dan's murder made it difficult to bail out. And in the end, we just hunkered down and rode it out. Here I should say a word about Ambassador and Mrs. Adair. They were superb, without peers in this tough spot. Mrs. Adair worked especially hard to set up the residence as the recreational refuge for our wives and kids, and this proved a wonderful aide to morale. What a lovely pair!

Q: Talk a bit more about the embassy's philosophy and approach in dealing with the kidnap and hostage situations. To what extent at that time were we trying to deal directly or negotiate with the Tupamaros, or were we treating only with the GOU and/or trying to locate third parties?

TULL: As you can guess, we took our line strictly from Washington and it was a very rigid, "no negotiations/no ransom" approach. But looking back on it, I doubt it really mattered; I saw nothing about the MLN that led me to believe they had the slightest interest in negotiating with us or the Brazilians or the British or any third party. Their fixed aim was to destroy the government and its institutions. Like most radical extreme movements, there was very little flexibility in their goals and objectives, once decided upon.

Q: You mentioned earlier a conservative government, beset by public order problems and relying upon repressive measures to reply. Speak a bit about these and their effect upon civil society, the press, the culture at that particular time- was it still fairly open?

TULL: The Pacheco administration relied almost completely on the limited state of siege measures granted to the executive branch under the Constitution “medidas prontas de seguridad” (fast measures of safety)- for periods of up to ninety days. Although designed to be temporary, President Pacheco, by a rolling series of back-to-back decrees, made them nearly permanent for about three years. Under the Constitution, the Senate and Chamber of Deputies could jointly lift these measures at any time. However, continual partisan battles to prevent any party from gaining an advantage, plus the closeness of the 1971 national elections in which no politician wanted to appear “soft” on terrorism, plus increasing nervousness about the intentions of the military in the face of legislative weakness, all combined to render the legislature impotent in the face of Pacheco’s determination. The “medidas” (measures) fell most heavily on tight control of the press and broadcasting, freedom and public protest, as well as causing increasing timidity among the public in the exercise of freedom of speech. Looking back upon it, however, I’m amazed to recall how free we felt, certainly not like eastern Europe.

Q: Talk about the 1971 elections and how the embassy viewed them.

TULL: We- those in my section- at the outset decided with the ambassador’s full blessing to go flat out in both Montevideo and the campo to cover every phase, party, and party faction we could. It seemed to us that things were headed for some kind of crossroads and that the elections might be “make or break,” though it appeared to be late if democracy were to be saved. There were three main parties at play: the more liberal Colorado Party centered in Montevideo and the country’s few other urban areas; the conservative and rural-based Blanco Party, then in opposition; and a new leftist and mainly urban coalition party, the “Frente Amplio” (broad front) composed of a number of different groups including the legal Communist Party, radical labor unions and some student groups plus overt elements of the Tupamaros although not identified openly as such. The leaders of the “Frente” hoped to wrestle control of the city government of Montevideo from the Colorados who had held it for many years.

Despite the state of siege measures, the contest was very hard fought and wide ranging. Rallies were massive, no verbal quarter was asked nor given and in the end the vote was open, fair, and honest. Unfortunately for the nation, the Colorado faction headed previously by President Pacheco won narrowly and elected a wealthy rancher, Juan Maria Bordaberry, who took office in early 1972 and whose administration proved even less competent than his predecessor. For us the only bright spot was that we had succeeded in calling the election on the nose- Colorados first in Montevideo, followed by “Frente,” then the Blancos; a Blanco win in the countryside but not enough to make up their urban losses, followed by the Colorados, then the “Frente.” So we got a nice pat on the head from Assistant Secretary John Crimmins- John was a bit bearish and tended to dole out praise in pretty small doses- but things looked bleak for Uruguay.

Q: And that presumably was what the military leaders saw too. Were these the leaders that later took over the government?

TULL: Yes, it was the army's leadership by and large with support from the tiny and ill-equipped Air Force. The navy, the most professional of the three services, initially opposed the coup but could not in the end stand alone.

Q: But the military services did not take action immediately after the election.

TULL: No, the Brazilian and Argentine military were both in power and encouraging particularly the army to move, but it held off for nearly a year until February 1973.

Q: Had there been any history in Uruguay prior to this of military activism?

TULL: No, not for many years, all the way back to the late 19th century. By the time I arrived in 1969, the military services were almost a joke so far as effective organization and command and control were concerned. But by three years later, that certainly was not the case.

Q: Were the Uruguayan military getting a lot of help from us?

TULL: No. We had a small military group, but it was mainly devoted to selling spare parts for the navy's ancient World War II-era destroyers and the Air Force's propeller-driven trainers. I don't recall that we did any sales to the army, certainly not weapons. Most of the outside help was coming from Argentina and Brazil.

Q: And the Uruguayan political leadership was encouraging the military to be firm and strong?

TULL: No, quite to the contrary, they were afraid of the military. They were no fools- they could see, as with their neighbors, that any military move would be at their expense and personally dangerous for them- and they were right.

Q: To what extent did you, the embassy, and the ambassador see the military takeover coming?

TULL: By the end of 1972, Bordaberry had been in office nearly a year, but it was no secret that the military was becoming increasingly unhappy with his ineffectual regime and was not going to tolerate the Tupamaro situation indefinitely. It was later that month that a middle grade naval officer, presumably on the orders of his bosses, told first our naval attache, then the ambassador and several others of us, that the army would move within ten days. And they did. During the sunny morning hours of the first of February, the army locked the legislative palace and began to empty and shutter the various civilian ministries of the government.

Shops and stores closed, but being Uruguayans and it still being summer, most people headed not for the shelters, but for the city's beaches. President Bordaberry began calling friends and supporters and urging Montevideans via brief radio announcements to rally by his side. By early afternoon, several of us viewing the port from the ambassador's office watched a dramatic scene unfold. Thirty-two years after the German battleship "Graf Spee" had begun its ill-fated charge out of the neutral port of Montevideo, there came boiling down the harbor channel at flank speed the navy's three old destroyers- the ROU (Republic of Uruguay) Artigas, Uruguay, and

Montevideo. Reaching the channel mouth near the still visible but scuttled remains of the “Graf Spee,” the three swung about and abruptly halted, leveling their guns point-blank on the army vehicles then pouring into the port area they had just left. A gallant but futile gesture.

After a tense, hour-long standoff, cooler heads prevailed and the ships returned quietly to their moorings. Almost dismissively, the army then sent a small body of troops to shoo away the 200 or so supporters gathered at the president’s home, while the city’s beaches in Pocitos and Carasco remained relaxed and crowded. As the afternoon wore on, the reality of nearly a century of Uruguayan democracy slowly faded- poof!- to a dream. It was all very sad.

Q: You mentioned earlier that after the military takeover, they did have success against the Tupamaros and basically ended that movement.

TULL: They wrapped it up one Sunday several months later, in mid-1973, with a combination of a tragedy, good police work, and a whole fistful of luck. An army colonel happened to be standing with his family outside a church after service when he was shot in a Tupamaro ambush. The army, which had joined a number of police units conducting clandestine surveillance of a dozen or so suspicious houses and buildings, ordered all of them to be immediately hit and everyone arrested.

One in the suburb of Carasco, not far from our home, happened to be the main Tupamaro radio and records center. In fact, the last message logged by the Tupamaro operator was to all cells, warning that a major military-police operation was underway but that its target was unknown. The military was soon able to arrest senior MLN leader Raul Sendic and several of his top lieutenants. Some of them talked and more were arrested.

By the end of 1973, the “Orga” was effectively destroyed. However, the roll up of the Tupamaros also became the signal for widespread attacks and arrests of people deemed MLN supporters and sympathizers. This was personally tragic as I lost a number of friends and acquaintances: the president of the chamber of deputies, Ernesto Gutierrez Ruiz, was murdered as was Senator Zelmar Michelini, both of the Colorado party; Blanco senator and presidential candidate Wilson Ferreira escaped by launch to Buenos Aires but only narrowly missed an assassin’s bullet there. “Frente” presidential candidate, retired Army General Liber Serengni, was lucky to make it alive to a military prison, while former President Pacheco’s foreign minister and a leading Uruguayan banker suffered broken arms and other injuries during his interrogation.

Q: This was during the Nixon administration. What was the general response of the United States government to the military’s takeover? Was it at all controversial as far as the embassy was concerned?

TULL: The Nixon administration was very supportive of the hard line taken first by Presidents Pacheco and Bordaberry, then later by the Uruguayan military. I left in July 1973, but prior to that time I don’t recall hearing a single negative word out of Washington. As always, the embassy took its official line from Washington but on a private and personal basis I think many

of us believed might have been able, if not to save democracy in Uruguay, at least to have prevented many of the horrors and excesses which took place over the following decade.

Q: Anything else you want to say about this difficult assignment?

TULL: Only a brief PS. Democracy was finally reestablished in Uruguay in July 1985, but its economic situation remains difficult as the country continues to feel the fallout from financial problems in both Argentina and Brazil. The current president, Jorge Batlle, was also an unsuccessful candidate in the 1971 election. He is the grand nephew of the fabled founder of modern Uruguay, Jose Batlle y Ordoñez, who was also a very successful duelist.

Dueling was still legal when I served there and we had several which were set up and run under strict rules by a military court of honor. One of these involved the current president. None during my time were fatal. The leftist coalition, the “Frente Amplio,” still exists with a somewhat different name and a legal, thus far more peaceful, Tupamaro party. The “Frente” has the largest single bloc of members in the Senate which forces the Colorado and Blanco parties to work together- they still don’t like it. And the “Frente” really does expect to win the mayorship and control of the Montevideo city government this time, in the national elections of 2004. Finally, I think nearly five years in this boiling pot got me my next assignment in 1973.

Q: To senior training.

TULL: Yes, I believe Uruguay was enough of an attention-getter in Washington to push my name onto the list of students selected to attend the National War College for the academic year 1973-74.

ERNEST V. SIRACUSA
Ambassador
Uruguay (1973-1977)

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

SIRACUSA: So to go from Bolivia to Uruguay was to experience CHANGE. But while Uruguay in contrast to Bolivia was well-off, in more recent years its own problems had been deep-seated and produced tragic consequences.

Among other things, socialist experimentation had burdened the economy with programs it could not afford and thus tended to impoverish the country. Also, ill-advised and egregiously uneconomic protectionism, seeking to create an industrial base as a source of jobs, enriched only

a few while it drained the wealth of agriculture and left Uruguayans worse off and dreaming of past affluence now out of reach. Yet through it all the University poured into this economy of limited scope hordes of graduates--lawyers, engineers and doctors in droves-- with little or no career opportunity awaiting, and many infected with a heavy dose of Marxist indoctrination to exacerbate the impact of their seemingly hopeless prospects.

So in the years before my arrival many of the frustrated youth either emigrated or acted out the radicalization of their university experience in which they had been influenced not only by extremist and communist professors but where they had also fraternized with exiled, radical youth from other countries for whom Uruguay had become a haven, given its indiscriminating, democratic welcome mat and free education for all, even for such foreigners and no matter why they had fled their own countries.

In this environment the Tupamaro organization, beginning as a sugar-laborer revolt against their grievous exploitation in the northern cane fields, and led by Raul Sendic, was born. Initially there was much sympathy for the workers whose grievances were legitimate; but this changed as it metamorphosed from labor grievance through "Robinhood-like" criminal acts of social leveling to outright terrorism, kidnapping and murder.

In the course of this development and transformation the Tupamaros attracted not only the support of an elite group of educated persons--doctors, lawyers, engineers, professors, etc., but, sadly, it pulled into active membership many of the frustrated, idealistic and radically-influenced youth of many of the best families of Uruguay. And as they became criminally willing to kill and torture, guilt fell on them all, thus making their acts not only politically and socially disruptive but also a wrenching experience for all levels of Uruguayan society. The name, Tupamaro, is derived from a fabled Inca-era rebel, Tupac Amaru.

The sad result of Uruguay's eventual reaction to the Tupamaros was literally the destruction for a number of years of Uruguay's proud devotion to and practice of democracy. After many kidnappings, ransoms and murders the British Ambassador was held for months in a buried cage before his release and others, including prominent Uruguayans, suffered that fate as well. But not all were so lucky.

One member of the American Embassy, the father of nine children, was callously murdered. In a broadly circulated motion picture based on this case, State of Siege, the communist producer/director, Costa Graves, painted a cynically distorted picture of the actual circumstances in Uruguay and of the brutal murder of Dan Mitrione. Sadly, however, the movie had its intended effect of helping to poison world opinion against Uruguay and the supposed role of the U.S. in that country.

The movie gave no insight at all into what had brought a country like Uruguay to the condition where terrorism could implant itself and thrive, and thus no understanding of the whole picture. One did not see here a country of decent people, democratic to a fault, many thought, which literally bared its breast to abuse and exploitation; nor was there any honest view of the United States, acting on the noble vision of Kennedy's Alliance for Progress with the sole objective of promoting in Uruguay, as elsewhere in Latin America, economic and social progress in a

democratic framework. Where in Costa Graves' picture was the reality of the United States which saw its own reward for altruistic policies, backed by substantial resources, only in the betterment of the political, economic and social condition of others. But when were communists ever concerned for the truth?

For the record it should be noted that Dan Mitrione was an American police officer who had been recruited by AID Agency for International Development) to serve in the Alliance for Progress Public Safety Program. Such programs were a part of our programs in virtually every country in Latin America. They were designed to train local police forces in modern methods deemed needed to help preserve stability in light of the surge of expectations in rapidly transforming societies which were the goal of the program.

The mission was not to teach torture, oppression and brutal methods of interrogation, as Costa Graves would have believed from his portrayal; far from it and just the opposite--in fact, US officers were not allowed by our own rules to participate in any interrogations of suspects. And, whatever American police officers might be, often not honored for some acts in their own country, it should be clear that no country in Latin America, Uruguay included, or anywhere for that matter) need ask Yankees for advice on brutality--the homegrown variety having always been more than sufficient. The US objective, in short, was to make local police not only more efficient and effective, for the stated reasons, but also more humane.

The turning point for Tupamaro terror came not only from the virtual paralysis of Uruguay's proud legal system and tradition (judges and their families were threatened with death when dealing with captured Tupamaros) but finally from the national outrage caused by their cold-blooded murder of four simple conscripts standing sentry duty in the city of Montevideo. If they sensed guilt from whatever early grievances may have given rise to the Tupamaros, ordinary citizens could not see it belonging to such victims as these, simple country people called to national service. The people were finally outraged and action was demanded.

In response, the apolitical Uruguayan military, which traditionally did not count for much in a peaceful country surrounded by overwhelmingly large neighbors Argentina and Brazil) was called to action in lieu of police forces proven totally ineffectual and incapable of dealing with this new threat. And when they finally acted they did so with a vengeance such that with superior force they eventually broke the back of the Tupamaro organization and imprisoned Sendic and most of the leaders, especially the most important ones. Altogether, several thousand Tupamaros or suspected Tupamaros were arrested and thereafter the wheels of military-dominated justice moved slowly and without doubt to some extent abusively, thus eventually leading to harsh accusations against Uruguay by organizations such as Amnesty International and others.

As for the military as an institution, having assumed power in a most untraditional way, they saw themselves as saviors of the nation and they were not about to give up power until, as they saw it, the threat had been definitively purged. Yet an outright military dictatorship as such was too untraditional for a country such as Uruguay. Therefore, in a controlled election, Juan Bordaberry, a thoroughly decent, typical upper middle-class Uruguayan rancher/politician was installed as President; but of course, the real power remained with the military.

Bordaberry, who in many ways reminded me of Belaunde in Peru because of his human qualities and social class, did his honest best to carry out a moderating civilian rule to the extent practical and permitted and to try to move the country back toward its cherished democracy. Such was the situation when I arrived in Uruguay in late August, 1973, and presented my credentials.

In this first meeting, Bordaberry, fully aware of US concerns for human rights and of the anti-Uruguayan sentiment generated in part by the distortions of the mentioned motion picture, made a direct appeal to me for understanding of the situation in which he found himself and for our help in moving the country in the direction he wanted which was a return to full democracy as soon as possible and practicable. He said he had to deal with the military, which still felt it had a vital internal security role to play, and that his best chance to have influence with them would be to the extent he could help them receive some of the equipment they felt they desperately needed. He was asking for action on the relatively modest military assistance program which had been developed with our military missions there and which in no way involved excessive or sophisticated weapons.

As I had told General Banzer in Bolivia two years before, I said nothing I could do would substitute for positive action by Uruguay to eliminate grounds for criticism of its treatment of prisoners, political and criminal. And that justified or not the task would be harder because of the bad image already created. I said I would try to help him by delivering the same message, as forcefully as I could, in all my contacts with military and police officials and would make recommendations to my own government in accordance with the response I seemed to be getting. I also stressed that whatever positive position I might be able to take would quickly change on evidence of real abuse. Bordaberry said he understood this and would do his best--and I so reported to my government.

Thereafter, and through my nearly four years in Uruguay, I and my most effective DCM, James C. Haahr, as well as our very able military group personnel met with some frequency with the military leadership, in Montevideo and also with the important regional army commanders, and our message was invariably the same: respect human rights and return Uruguay to democracy as soon as possible so as not to sully the good which had been done by their timely intervention in a time of dire need. I also believe that through our various resources for intelligence gathering, overt and covert, we were very well and objectively informed, certainly better we thought than were many motivated organizations that made outrageous and unjustified accusations against Uruguay.

At one point, for example, Amnesty International, in 1976, I believe, classified Uruguay as the most abusive of human rights in the world!!!! Can you imagine--in a world holding the Shah in Iran, Marcos in the Philippines staunch allies of ours) and God knows how many abusive Idi Amin types in Africa, Uruguay could be so classified by those having no appreciation whatsoever for what had pushed this unhappy, decent little country into a condition it never wanted and was so un-natural to it.

Certainly there was some abuse but there were those who deplored and tried to control it--from the President on down. And for our part, there was no hesitation in telling the President and the military commanders when we had what we believed to be accurate information as to such,

including the names of certain military officers of intermediate rank reputed to be the most serious abusers.

In our view Uruguay as an always leading practitioner of democracy in Latin America deserved, in its hours of travail, not only our pressure for betterment but also the understanding and even compassion for its plight of the world's foremost democracy. Seeing Uruguay as it actually was insofar as we could discover the truth and so reporting it was deemed to be our obligation as an Embassy. And so we did this rather than join the carping and criticism along with the popular flow stimulated by "human rights" activists in Washington and elsewhere and the exaggerations and distortions of the critics mentioned above.

(After the Vietnam War, many of the activists who had unrelentingly badgered Washington for its policies, found new cause for their energies in the problem of Human Rights; and many of them dove into it with indiscriminating vengeance which often honored sensationalism over truth. Thus, sadly, anyone who questioned them for exaggeration and trumpeting of unsubstantiated "fact" became targets for derision and worse. And thus the noble cause of promoting human rights everywhere, which properly became a strong arm of American Foreign Policy, was comedy at times reduced to open carping and scolding, while those who believed more could be gained by "quiet diplomacy" were often pilloried and vilified. So, the price for integrity.

Thus integrity in reporting (how much easier to go with the flow and conform to the conventional view, however inaccurate) had its price in bringing down the wrath of such activists and even members of Congress such as Koch of New York (later Hizzoner the Mayor) who was riding the tide for all it was worth. Koch, it might be noted, was especially unpopular among military circles in Uruguay as author of the "Koch Amendment" to the Foreign Assistance Act which singled out Uruguay for denial of military aid because of its supposed egregious record on human rights.

As for Koch, who gave his special, wrathful attention, to Uruguay and later to me, I have a special comment. In late 1976 or early 77 I asked to see him and journeyed to New York for that purpose where he received me in his office. I had maybe an hour and a half or two hours with him and found him seemingly to be most reasonable and straightforward in his apparent interest in the subject. I tried to give him the most honest and objective picture of the actual situation in Uruguay that I could, warts and all where justified. Such a picture, it was clear, was not the same as the one from which many of his comments had emanated but I operated on the assumption that he was interested in the truth and thus might give some weight to my objective presentation.

Alas, as I was to find out, there was no sincerity in spite of appearances; and, although I left his office feeling some progress had been made in giving him at least a different perspective to contemplate, such was not the case in fact. Looking back I feel that Uruguay, while meaning a lot to me as the US Ambassador to that country, was really only of passing interest to Koch who was riding the tide of human rights activities for his own political purposes and not much more.

When, before leaving, I naively invited him to come to Uruguay as my guest (assuming he was really interested) so he could see for himself and carry out whatever investigation he desired, he

asked whether I thought he would be safe. I replied that he would be as safe as I was as, to the extent he wished, I would be at his side at all times and that my guards would protect him as they did me. I suppose he was never serious as, although we parted on a cordial note--he was always the genial host of my visit to his office--I never heard from him again except for a violent personal attack he made on me (expressing satisfaction at my departure). When my retirement was announced after the Carter administration came in.

If he thought, which I doubt, that his attacks on me had led to the end of my career he was quite mistaken as I had actually retired from the Foreign Service in March of 1974 and stayed on thereafter only at the "pleasure of the President", fully intending to come home after 37-1/2 years of service credit at the change of administration no matter who won. With this much service there were many reasons why I had retired and wanted to come home, not the least of which was the utter lack of privacy of such a public life, weariness with the unending social demands, and the need for me and my family to be under constant guard for almost eight years. And the State Department met the one condition I had requested, that my retirement be kept confidential until I was actually ready to go as I did not want to operate in a "lame duck" capacity. It was thus a great surprise to my staff when, after the Carter Administration first announced its plans for Latin America that I was listed as one to be replaced as I had "already retired."

But to return to Bordaberry, I am convinced that during all the time he was in office he was deposed by the military about a year before I left Uruguay in 1977) he did his utmost to apply his high principles to developments in his country. And the same goes for his most attractive and capable Foreign Minister, Juan Manuel Blanco. I have no hesitancy in saying that these two gentlemen, both deeply devoted to the traditions of Uruguayan principles of democracy, rank high in my opinion for honesty and integrity among all leaders I have met in my long career in Latin America.

All too much my contacts were with military leadership or, if civilian, with persons not comparing with these two and with other Uruguayan civilians. In Latin America, because of what they are and of their history, Uruguayans are truly special. Upon Bordaberry's ouster he was replaced with a very elderly gentleman, Demichelli, who despite his intentions was really out of it insofar as government influence was concerned, for lack of vigor if for no other reason. Bordaberry had done his best and with some effect, given the circumstances; and, when his efforts made the military too uncomfortable they got rid of him. Thereafter, and until some years later when the military, having failed as they always do, took steps to return the country to full democracy, civilian leadership of the government was almost purely a sham.

Q: Its pretty obvious that you mission in Uruguay was dominated by the question of human rights and I suppose this affected programs as well.

SIRACUSA: Indeed it did. In contrast to my previous posts we had very little in the way of programs. A very small AID mission and program, a virtually phased out AIFLD (there was little we could do where labor was dominated and not free under the military influence) and a dwindling to nothing military assistance program. Thus we put emphasis on cultural programs, through an excellent and very active binational center and library, on showing concern in all ways we could for the Uruguayan people, and in sparing no effort at all levels to influence the

government, military and civilian, to move back toward the democracy for which Uruguay had always been so justly admired and to clean up grounds for human rights criticism by restoring constitutional rights to imprisoned persons, bringing to prompt and open trials, etc. We also maintained active, open and above board contact with all elements of the political opposition, social and otherwise, so as to be exposed to their points of view, to learn from them and to offer counsel, advice and moral support.

A sad fact of Uruguayan life, the country being so small and the trauma of terrorism so pervasive, was that hardly anyone was spared--everyone seemed to be touched emotionally and concretely by the fact that family members, friends or acquaintances were held as Tupamaros or collaborators; some clearly had been devoted to terrorism and rejection of family and friends; others seemingly just caught up in the tide just caught up in the tide with greater or lesser guilt or, doubtless in many cases, none at all or not much more than bad luck or indiscretion. This tended to split society which, while condemning terrorism and approving the need to overcome it, was nonetheless appalled by the apparent injustice of the slow process of healing the country's wounds. Thus, as time went on, the people became more and more restive with military rule, openly critical of it and anxious for a return to their democratic political customs and practices. By the time I left, in April of 1977, the handwriting was on the wall for military rule but a few years more would be required to more or less restore the situation as before.

BARBARA H. NIELSEN
Rotation Officer
Montevideo (1977-1978)

Barbara H. Nielsen was born in New York in 1949. She attended Middlebury College, Indiana University, and Yale University. She has also served in the Peace Corps in Katmandu from 1972 to 1974. Her career has included positions in Montevideo, Tegucigalpa, Dakar, Santiago, Algiers, Stockholm, and Athens. Ms. Nielsen was interviewed by Charles Stuart Kennedy on December 16, 2004.

Q: You were in Montevideo from '76 to when?

NIELSEN: I got there in '77. It ended up being a 13 month assignment. I'm not sure what the norm was. They kept changing that. For my predecessors, it was a JOT assignment and you were either to stay on at post and go into a regular slot or, if there wasn't one, then you would be moved after usually 18 months. But in my case, they moved me after 13 months for whatever reason. I didn't actually finish my rotation. I guess I should go back and do it. I was cheated out of my consular rotation. I never did do consular affairs.

Q: Let's talk a bit about Uruguay. What was it like when you went there in '77?

NIELSEN: It was in the throes of the military regime. The Tupamaros were under control by then. There was still some concern about those urban terrorists, but they were largely subdued. At the same time, human rights were a problem between our governments.

Q: Jimmy Carter had just come in.

NIELSEN: Yes. We were making strong statements about support for human rights and Uruguay was a place where you could feel that those statements were justified. That was the work of the political section at that time. They were taking a lot of complaints on behalf of individuals who thought that they had been tortured or otherwise their human rights were abused.

From the point of view of a cultural affairs officer, which was what I was doing, it was a very fine place to be. We had a binational center there with a full program of cultural events. Those were still the days when we brought cultural groups to perform. We had a great library, one of the models in Latin America. I was allowed to teach American literature in our program there. All in all, it was a great place. The culture and society were... One thing that a military regime does is create order, so it was very orderly. The Uruguayans tended to be fairly subdued anyway. It was an easy place to live. The middle class was in decline, but they still hung on to a decent standard of living. They were fine counterparts.

Q: You had military dictatorships in Argentina and Brazil at the same time.

NIELSEN: Yes, not to mention Chile, of course.

Q: The Tupamaros were essentially college students, weren't they? Where were they coming from?

NIELSEN: Most of them were middle class bourgeois family young people who were caught up in the Marxist ideology of the time.

Q: But you say they were pretty well under control?

NIELSEN: Yes. I never met one. They weren't holding rallies or demonstrations or doing anything at all.

Q: On your side of the cultural work, did the opposition to the military play any role? Were you getting protests?

NIELSEN: I don't remember any specific incidents. I suspect that there was a high degree of control. We were not so far as I can recall a venue for the opposition. I was there for a year, but I don't remember, for example, that we were trying to help artists who wanted to protest against their government. I don't think they were doing that.

Q: What were we doing?

NIELSEN: In terms of what?

Q: Our USIA function.

NIELSEN: We were running exchanges programs. My job was in large measure working at the binational center where we were modeling modern library practices and doing English teaching. Within the framework of English teaching, we were teaching American culture. We actually had a certificate program so that students could receive a qualification in American studies. That was one of our big emphases, English teaching, librarianship, cultural events. I'm trying to think of examples of what we had on the cultural events side. I think that was where we had a dance troupe. We did bring musical groups and dance groups, theater groups occasionally if they spoke Spanish. There was a big avant garde troupe that we brought and which was very successful there.

Q: Who was the ambassador?

NIELSEN: Ernest Siracusa.

Q: He was one of our major hands in Latin America.

NIELSEN: That's right. He was a motorcycle aficionado and old car aficionado. He was the ambassador initially. Then Lawrence Pezzullo succeeded him.

Q: Did they have much interest in the USIS work there?

NIELSEN: It probably wasn't their highest priority. The USIS program you could say was traditional in the best sense. We were doing what we had always done, the kind of program we should do and of course do have to justify periodically, things like exchanges, the IV program...

Q: The exchange and IV programs are so important. It's long term, but they really work very well.

NIELSEN: They do. They're hard to quantify. It doesn't always mean that someone that you send on an IV becomes your friend, but it usually means they've learned something. That's definitely helpful when you want to dialogue with them later on. So, the program there was based on the traditional USIA offerings. It was the beginning of the decline of resources for USIA back in '77. Budgets were palpably being cut. Positions were being cut. We could see that 30 years later, USIA disappears, so it was definitely on the downward slope even then in terms of magnitude and personnel.

Q: What about the social life? How did you find the Uruguayans?

NIELSEN: Uruguayans were unpretentious. They were easy to talk to, easy to make friends with. They didn't have the arrogance of the Argentines, for example. I liked the Uruguayans. Many years later, we had an Uruguayan babysitter for our infant son when we lived in Arlington.. I think they're wonderful people. They have all the warmth of Latins, but they're sensible, they're very middle class, they're cultivated, they are warm.

Q: Do they look to the United States rather than Europe for study abroad?

NIELSEN: It's hard to generalize. In terms of where they would see their future, yes, they were looking to the U.S. Granted, they had a cultural heritage from Europe, Spain in particular. So their journalism, for example, was heavily patterned after Spanish journalism. But studying English was very popular and was viewed as a good way to advance your career especially if you were interested in business or economics, liberal arts.

Q: You mentioned a baby. Did you acquire a significant other anywhere along the way or did this come later on?

NIELSEN: I met my husband in Honduras.

Q: So this comes later on.

NIELSEN: This comes after Uruguay. The Uruguayan babysitter was 1987.

Q: After 13 months in Uruguay, whither?

NIELSEN: Tegucigalpa. It's going to be hard for the current generation to understand this, but in those days a phone call from Washington was a big deal. You kind of trembled whenever Washington was calling. By the way, Washington is a very common first name in Uruguay. The Uruguayans had admiration for George Washington. Even modern Uruguayans have given their children the name of Washington as a first name. So there were quite a few of them on our staff. But when Washington called, meaning headquarters, it was usually a cause for fear and trembling. Thus, there was a fateful day when out of the blue Washington called and told me I was going to Tegucigalpa in three weeks. My first question had to be, "Well, where is that?" It turns out it's Honduras. It was a very nice place as well. I had no role in the selection of my onward assignment and that was normal in those days. You just got a call and off you went.

Q: So you went to Honduras from '78...

NIELSEN: I arrived in February of '78. I was there until April of '81.

PARK D. MASSEY
Mission Director, USAID
Montevideo (1977-1979)

Park D. Massey was born in New York in 1920. He graduated from Haverford College with a B.A. and Harvard University with an M.P.A. He also served in the U.S. Army from 1942 to 1946 overseas. After entering the Foreign Service in 1947, Mr. Massey was posted in Mexico City, Genoa, Abidjan, and Germany. While in USAID, he was posted in Nicaragua, Panama, Bolivia, Chile, Haiti, and Uruguay.

Q: Of the AID Mission?

MASSEY: ...of the AID Mission; Deputy Director and Acting Director of the AID Mission in Chile; a similar position in Haiti, a very frustrating period because of the fact that Haiti is impossible to do any good for; and finally I was made Mission Director of the United States AID Mission to Uruguay, which I ultimately closed out, which I think was a mistake, but at the time seemed like a good idea because our assistance was not really helping the Uruguayans in solving their economic problems. During all of this time, I saw little or nothing of an interest in either trade unions or labor or manpower in any of those missions in which I served. I did not take into much account labor and manpower concerns, although I was in the top management of the missions that were involved. I don't know why that was. It may have been that the concerns tended to move in other ways, or in some cases the trade union movements in many of these countries were so fragile and the understanding of manpower problems within my own mission so weak as to tend to let them be pushed aside. But labor and manpower were not really terribly important in those missions.

Q: Relations with AIFLD (American Institute for Free Labor Development) at all?

MASSEY: Yes, but the relations with the AIFLD were primarily on a friendly, cooperative basis. Where they had a program, we were delighted to fund it. Despite what I have said about the lack of interest in Washington in a coherent labor diplomacy, an AIFLD project always got a good reception in Washington, and people liked you to send them up because, of course, the American labor movement was a strong supporter of the Agency for International Development, and where we could use them effectively, and they were effective, we did so. However, it was hard sometimes to work them into either health programs or educational programs and so on.

Q: I have a series of questions. Oh, I've got to get to your retirement. Yes, go ahead.

MASSEY: At the end of 1979 I retired. After some short period of extreme boredom, I sought work consulting. I started consulting on various economic problems in Africa, mostly the management of projects. And then during the period of the middle 1980s until about 1988, I was in Central America where I was primarily an adviser on the economics and logistics of guerrilla warfare. This was very interesting, very exciting, but once again without anything that one would call a labor diplomacy input, although in several of the countries there were labor offices, and again I ran into the AIFLD, because I did attempt to advise and wrote a paper on legal reform in El Salvador which was related to the murder of the Agrarian reform workers supplied by the AIFLD to El Salvador. It was at that time I was to see again various people--one man with an Armenian name, a great giant of a man, who I think may have been AIFLD. I feel that the American labor movement felt a little betrayed by the fact that once again there was a lot of lip service, but a very tough pursuit of the murderers of American trade unionists in El Salvador was not followed through.

LAWRENCE A. PEZZULO
Ambassador
Uruguay (1977-1979)

Ambassador Lawrence A. Pezzulo was born in New York, New York in 1926. He received a bachelor's degree from the University of Colombia in 1951. He served in the U.S. Army from 1944-1946 and joined the Foreign Service in 1957. Ambassador Pezzulo's career included positions in Uruguay and Nicaragua. He was interviewed by Arthur R. Day on February 24, 1989.

Q: When was it that you went down?

PEZZULO: I went down in 1977, and Congress cut aid to Uruguay in 1976, one year before. There was an amendment by a future mayor of a northeastern city, called Koch, who took the initiative on this issue, and curtailed military assistance to Uruguay.

When I got there, there were a series of issues to be faced. First of all, the Uruguayan military felt very aggrieved; they felt that the United States had misunderstood them, had dealt arbitrarily with them. They were quite bitter and made no bones of it.

Q: They told you this, I suppose?

PEZZULO: Absolutely. My first meeting was with the three Service Commanders; they had a triumvirate running the government, and we spent three and a half hours, they professing that the United States didn't understand Communism, and didn't understand the problems they had, and had abandoned them in their hour of need; and my saying to them, "You're exaggerating. If you went back and looked at what we did over the years with you, you'd know that's not true. I'm surprised you're saying that. And furthermore, what you're doing now puts our whole relationship in jeopardy, because you've taken arbitrary action against your citizens, and I'm not even questioning whether they deserve it or not. But world opinion is against you and our relationship is hostage to actions you've taken." So that's how we began. The day I arrived.

And human rights became the central issue. It was interesting. When I got there, there was a lot of mythology as to what had happened in Uruguay, in the State Department's own recollection of events. I set about to try to get the facts. I had my political officers, and my station, and the military officers, spend full time. I said, "I want to know the history. Let's look back at what happened, and turn it over stone by stone."

Q: The history of how the government had handled the guerrilla movement?

PEZZULO: Yes, that's right. And what emerged was interesting, if you have the time for it. Because what had happened was this. Uruguay was a traditional, and one of the most longstanding democracies in Latin America, in fact one of the models. Uruguay, Chile, Columbia--those were the models of Latin American democracy. Along about the middle of 1950-60, they suffered a real decline, economically. Uruguay had always been an exporter of meats, hides, products of that nature. World War II was one of the big heydays. Then there was a slump. The Korean War was another big heyday. And then it slumped again. And unfortunately they had not diversified their economy enough, so this slump really hit, and it kept going down.

And what happened--it's a very small country, very middle-class--the young people--professionals--accountants, lawyers, doctors--professionals of all sorts--became frustrated in the late sixties. And they began to look around and attack their system. The Tupamaros was the product of their frustrations: first reflecting their criticism then turning violent into a guerrilla band. It began as an attack on the system for not providing the jobs and the opportunities. And then it turned nasty.

And the system was very soft. It's a small country. The crime rate was low. And suddenly, this emerges. And the democratic government, which was soft and quite fragile couldn't handle it. So the military were called in.

The Uruguayan military had never fought a war; indeed, had never been called upon to do anything but parade and drill. And they came in and rolled up the Tupamaros, who were not very good as guerrillas. Once they trusted power, they decided that this was not a bad place to be, and took over the government.

And the interesting thing was that the repression did not occur then. I mean, the Tupamaros were guilty of crimes, there's no question. They blew up banks, they killed people, they committed terrorist acts--all of which were documentable--and criminal offenses. It was after the Tupamaros were rolled up, and the military assumed power that they began to investigate the root causes of the subversion. It was they that overreacted and committed all the abuses. They went into the universities, and became suspicious of university courses. They went after leftist professors. And before you know it, they were torturing people for information, making arbitrary arrests, and ultimately filling the prisons with some 5,000 political prisoners.

But when we found this out, and it took us about six months . . .

Q: *Your embassy working . . .*

PEZZULO: Yes. And we did it, you know, in a very studious way; in the meantime, just sort of keeping the ball afloat. Then I started to confront them with the reality of their own actions. And lo and behold, most of them didn't even know the history.

Q: *Them being the Uruguayans?*

PEZZULO: The Uruguayan military. And then I had the argument, you know, "Why are you paying so high a price for actions that can be reversed?" I don't understand it.

Q: *You won the war, why . . .*

PEZZULO: Well, that was sort of the centerpiece, and it became an intriguing problem. And they slowly began to see that this ambassador and this embassy were really interested in dealing with the problem. And they began to look at their own internal problems. And slowly prisoners who were in prison for years were released. And it slowly started to improve. I think it was an awareness that they in and of themselves couldn't come to because they had built up this illusion that they were the great saviors of the society.

Q: *A mythology of their own.*

PEZZULO: Their own mythology. And Washington had another mythology. I mean, they were not pug-uglies, they were people who had gone through an experience which they were not prepared for, then tried to become cleansers of a society that didn't really need so thorough a cleansing; and got overzealous.

Q: *Did you have a hard time selling this new look back in Washington?*

PEZZULO: Well, the problem back in Washington became how to react to the positive steps the Uruguayan military was taking? And there were such things as helicopter parts that they needed badly. And at the time, there were some zealots on human rights that came in with the Carter administration--in the human rights office--that, you know, wanted blood. They were not willing to respond incrementally.

My approach to the Uruguayans was to prod them by saying: "You show me prisoner releases, you show me that you're closing up the offices that do the torturing"--there were two of them. "You close them down"--one of them they closed, by the way, by cutting off its gasoline allotment--just cut it off. "You do that, don't tell me about it, we'll find out, and we'll react."

Once they began reacting positively, I needed some give from our side. When I approached Washington, the reaction from the ideologues was, "Now wait a minute. It's not finished, and you can't show me that you did thus and so."

Q: *From the human rights people, particularly?*

PEZZULO: Yes.

Q: *The military, on the other hand, in Washington were all for you, I suppose?*

PEZZULO: Our military weren't involved.

Q: *I see, they weren't?*

PEZZULO: They were willing to do whatever had to be done. I mean, Uruguay was not an important country that they were going to fight for. And the whole program was a peanut; it didn't amount to very much. It's a small country; it's a country of two and a half, three million people.

But what was pleasing is that we were able to find out what the problem was. It was like trying to deal with a disease--giving medication--and you don't know what the heck you're dealing with. Pretty soon the medication was worse than the disease. But once it was cleared away, it was very pleasing to see that they suddenly realized that we were not trying to stick their nose in the mud; we were honestly trying to help and return the relationship to a more normal level.

And I wouldn't go so far as to say we were responsible for their return to democracy, but there are democrats down there who will say that. Out of this came a softening by the military, because they realized they had overplayed their hand; some of the more rational within the military started to see, and could argue their case a little better--this we were told when I was there--that they felt now they could speak, because the facts were coming out, and there had been unnecessarily harsh repression.

Q: Did you find in your own relationships with the military leaders there that you could establish a relationship of some trust, personally?

PEZZULO: I had--you know, some of them were very brittle. One of the commanders was a tough cookie, and he didn't like, at all, this gringo ambassador telling them about their business.

But some of the others were a lot more appreciative. Well, what really happened, I think, is that once they saw that this was a sincere effort to try to cope with the problem--I mean, I was not going to cocktail parties and forgetting this. We were getting into it. They realized there was a desire on the U.S. government part to do something constructive. And as they saw this was not an attempt to either embarrass them, or to make the case worse--in fact, it was an attempt to really find out what the heck happened--they became appreciative. So I had friends. You know, I had people who used to call me up and say, "Look, you met with so and so the other day, and you were a little tough on him. You know, he's this kind of guy, and it's best to handle him a little more gingerly."

Q: These were Uruguay military?

PEZZULO: Uruguay military.

Q: So they saw you as, in a sense, pushing their cause, and they wanted you to do it right.

PEZZULO: That's right. And the politicians were unable to play any role. For example, the current President was proscribed from acting in an political way. In other words, he could not have a meeting in his house for any political purpose; it was against the law. And the two traditional parties, that went back to the beginning of the history of the country--the 1830s--were proscribed because of this foolishness about a bunch of kids who got out of sorts. I mean, it was almost a fairy tale, that had, you know, just gotten way out of control.

Q: So by the time you left, things had really improved a lot.

PEZZULO: They had gone from about 4,700 prisoners, down to less than 1,000. And they were letting them out quietly. And they were starting to talk about political liberalization. Now there was full censorship when I was there. All politicians were proscribed. Now this in a country that, prior to this period, had a free press and a prestigious university system. The military closed down the fine arts departments.

Q: It hits those countries worse. Chile was the other example.

PEZZULO: Same type of thing, yes.

Q: *Did you leave there in order to be sent to Nicaragua?*

PEZZULO: No, what happened was that Nicaragua was starting to get ugly, and I got a call one day, and they said, "We'd like you to go to Nicaragua." Harry Barnes called me one morning, and said, "Can you give me your answer?"

And I said, you know, "Let me at least talk to my wife."

Q: *He was the Director General?*

PEZZULO: He was the Director General. And I agreed. I left shortly thereafter. And went up to Washington, and off to Nicaragua.

Q: *Let me ask you about that period in Washington, because you must have been immersed in the development of what became our policy toward Somoza, and his retirement, and what that all led to. What was the scene in Washington when you arrived?*

PEZZULO: Well, the two main actors in the State Department were Pete Vaky, who was the Assistant Secretary for Inter-American Affairs; and Bill Bowdler, who was the head of INR. Both former ambassadors, both very experienced, very competent officers. The reason they were the two principals was that about seven months before there was a negotiated--what they called a mediation effort--that was organized by the OAS (the Organization of American States). And Bowdler, who was in INR at the time, was assigned by the Secretary to represent the United States.

Now that effort was an attempt to get Somoza to step down. It didn't begin that way. What had happened was that in early 1978--you probably have heard this--one of Nicaragua's major editors . . .

Q: *That was Chamorro?*

PEZZULO: Pedro Joaquin Chamorro was shot down in the streets. Even though I don't think Somoza did it, the country went up in flames. And what had been a slow deterioration in his position over a long time, suddenly became untenable. Somoza over-reacted, brusquely using the National Guard to attack towns, firebombing and the like. It got so bad that by the middle of 1978, the OAS met to decide whether it could play a useful role.

After a particularly brutal attack by the National Guard in a town called Esteli, the OAS called a special session. They passed a resolution which led to the naming of a three-member commission: the United States, Guatemala, and the Dominican Republic. And they were to go to Nicaragua to see if they could help in some way to bring about an end to the hostilities.

Well, they got in there--Bowdler headed our delegation--and they found that the Nicaraguans were completely polarized: Somoza with a few cronies, and the National Guard, on one side; and

everything right, left, and center in opposition. And that recognition came to them very quickly, because the three delegations had spread out and had spoken to all sectors: newspaper editors, politicians, church leaders, campesinos, everyone. And it was, you know, just a repetition of the same message: "We've had enough, we've had enough."

Well, that led to a period in which the OAS mediators were dealing with Somoza on the one hand, and on the other with this multi-partied opposition, to try to see if there was some way to resolve the conflict. The opposition organized itself, ultimately, into a national front--a coordinated front--and demanded that Somoza leave, and that they would form a transitional government that would lead to general elections.

Well, negotiations went on and on for about three and a half months, ultimately were thwarted by Somoza, and collapsed. And when they collapsed, Pete Vaky and Bowdler, who had put a tremendous amount of effort into it, were exhausted. They had been fighting back and forth with the NSC and at the White House, because they thought more pressure should be put on Somoza by the United States. They thought if he'd leave the Presidency, there was a chance for a peaceful transition to some, yet undetermined, kind of democratic government.

Well, anyway, it failed. Pete, I think, was exhausted. Bowdler was exhausted. And we (the U.S.) sort of retracted from the scene, a bit. In historic terms it's very interesting, because the Sandinistas--who were divided into three divisions, three factions--once the mediation effort failed, came together into one faction, with the aid and assistance of Fidel Castro. In fact, they went to Cuba to sign a unity pact and formed the FSLN.

And then they began planning the armed overthrow of Somoza, with the assistance of Cuba, Venezuela, Costa Rica, and Panama. And I think it's fair to say we in the United States, and the State Department, and the intelligence services, were just not watching too carefully. I mean, everybody knew something was amiss, but you know, the antennae were not all that attuned.

Q: So we didn't realize that the Cubans had succeeded in pushing them into a . . .

PEZZULO: That was known, but that they were now building up for a major military campaign against Somoza, I don't think was known. In fact, when I was called back, and I went to a meeting in Costa Rica in which they were discussing Central American policy . . .

Q: When was that?

PEZZULO: The meeting was held in early May of 1979.

Q: You were still in Uruguay?

PEZZULO: Still in Uruguay. I went up to this meeting. It was a three-day meeting to look at Central America, because Central America was clearly in crisis. We reviewed the same kinds of problems we face now, only then they were a little more subdued. And the report on Nicaragua basically focused on how we would convince Somoza to step down at the end of his term in 1981.

And not a whisper about impending civil war. In fact, the reports from all sectors indicated some buildup as well as fatigue. But nobody was talking about imminent attack.

Well, by the end of the month an imminent attack was real. And I get into Washington the first week in June, and the war was on; we had a civil war. I mean, they were starting to topple cities. And that same fatigue in Washington was evident. There's no question about it. You just sensed the fact that everybody was down.

Now another thing had occurred, which made it even more disappointing for us. And that is that our ambassador to Nicaragua, a political appointee--who I think, unfortunately, was ill-chosen for the job--had picked up and left Nicaragua in the spring. That's why they called me; because he just picked up and left, without authority, or so much as by your leave. So they had no ambassador, and a very inexperienced staff. There was no reporting or analysis coming out of Managua. They were in a bind. Here's a civil war going on; no ambassador, and an embassy which isn't operating.

And within the next three weeks we were meeting almost daily, either at the NSC, or in one meeting or another. And what we put together was basically a policy that said the only thing the United States can do now, given the circumstances, is go in and hasten the departure of Somoza--end the war. And if we can end the war, then there is a certain amount of political capital we'll get for having stopped the bloodshed. And perhaps we can use that political capital to have some effect on the new government.

And the basic outlines of it--without getting complicated--were that we, as I say, we thought if we could end the conflict--and we probably were the only nation who could do that--we could get some political momentum to bring about a transition that was somewhat democratic, or participatory. I don't think anybody had high hopes, because in the middle of a civil war it's hard to figure out what's going to come after. And most of the discussions almost sounded like something about cleaning apartments, because everybody was talking about vacuums. I'll never forget this period. You know, what do we do about the vacuums, and this vacuum, and that vacuum.

And indeed, it becomes a fascination with people who are analyzing things to death, while events are changing quickly on the ground. And this followed me into Nicaragua. I mean, I was dealing with the war, and I kept getting the commentary from Washington, you know, by people who are sitting there dreaming up new schemes.

Q: Did they have the thought, perhaps, that if they got Somoza out early enough the Sandinistas wouldn't actually win the war, and that therefore there would be a possibility of a non-Sandinista government?

PEZZULO: Yes. Well, one of the crackpot ideas--it's crackpot in hindsight--was that we could suddenly construct a new transitional government of "wise men." It borrowed from a concept considered eight months earlier during the mediation effort. Simply put, we would approach people who had already been identified as leaders in the community, and say, "Suppose we end the war, could you walk in and become president of Nicaragua?"

And one of my first jobs was to go in, in the middle of a civil war and find these people, who were all hiding--some of them had left the country--and propose to them that they form this group of wise men. Well, the problem is they didn't trust the U.S. government anymore. They had exposed themselves eight months before, when suddenly--when the moment of truth came, to get Somoza out, we couldn't deliver. I mean, that's how they saw it--to put it in the bluntest terms. And they weren't about to expose themselves again in the middle of a civil war.

But in Washington's mind, especially the NSC, it was doable.

Q: Was this Brzezinski himself?

PEZZULO: It was Brzezinski and some of the people around him. I think people were groping for straws. They were hoping you could come up with some sort of a miracle, in the middle of a very distasteful situation. And what I was concerned with, as this thing started to deteriorate--because what was happening is that the war was coming in closer and closer into Managua--is that if we failed to remove Somoza, after all this chipping away, we'd end up with nothing. I mean, the only thing we had to deliver, and I kept saying this in various forums, was Somoza. And if we failed to get him out, and stop the bloodshed, then we had nothing.

The other idea, which I thought was more, at least, possible, was to preserve some elements of the National Guard; so that you would have a transition with some members of a security force that were disciplined, and capable of retaining some balance. Now again, in hindsight, that was illusory.

DALE V. SLAGHT
Commercial Attaché
Montevideo (1977-1980)

Mr. Slaght was born in Oregon in 1943. After serving in various capacities on Capitol Hill and in the Department of Commerce, he joined the State Department under the Commerce-State Exchange Program. As expert in commercial and trade policy, Mr. Slaght had assignments as Commercial Attaché and Minister Counselor at US Embassies and Consulates in Uruguay, Panama, Germany, Canada, Soviet Union and Mexico. He also served as Mexico Desk Officer at the Department of Commerce. Mr. Slaght attained the rank of Career Minister. He was interviewed by Charles Stuart Kennedy in 2005.

Q: With all this you were becoming a real...not an industry but a generalized trade expert.

SLAGHT: Certainly an expert on the Rules of Origin. This was a long time ago. This was 1974, I guess, but I did this for some time after the initial movement into that unit. I spent some time back in the Office of Legislative Affairs. This was all part of the Office of International Industrial Trade Policy. I went back to the division, spent a little time more on legislation. When

I joined the Commerce Department in '72, I really didn't plan to stay there more than three, four, five years. I knew the thought of, in particular after being there a while, the thought of working in a large bureaucracy like that for a career was...I just couldn't see it. I expected to go on to business somewhere, as the Latin American representative of some company. About '75, I started hearing about a program that Commerce had with State called the State Commerce Exchange Program. At the time, State had more officers that wanted to come back for Washington assignments than the Department of State had positions for them in the building. At any time there were no more than thirty State officers sent to Commerce Department who'd be the head of the Japan desk or the head of the Mexico desk or whatever, and an equal number of Commerce people would go abroad on temporary assignments as commercial attaches. I heard about this program probably in late '75, and in '76 I started having pretty serious conversations with our Human Resources people about that. They said fine, we'll pursue it, and they did. I eventually was put on a list of Commerce people who would, they thought, would be acceptable to State for the program and I was interviewed by Winston Lord, believe it or not, on an assignment in, I would guess this would be '76. State accepted me. I began language training in the spring of '77, and I went to Montevideo, Uruguay in September of 1977 as Commercial Attaché. I had a wonderful experience. The Ambassador there was Larry Pezzullo, and his deputy, James Cheek were really first-rate people.

Q: Both continued to have rather distinguished careers.

SLAGHT: Yes, they did. I had a wonderful time. Pezzullo was a fantastic ambassador. He and I had a mutual interest in tennis, and in back of the residence was a miniature tennis court, a paddleball court, really. You used tennis balls that had a hole in them so they were somewhat dead. He and I and usually one guy from the marine detachment and whoever we could gin up would play Sunday afternoons for several hours. We got to know each other pretty well. He was a very good man, a very good ambassador. Uruguay at the time had a military dictatorship and was on the opposite side of the Human Rights issue that President Carter was pursuing.

Q: Took the moral high ground.

SLAGHT: That's right. There was still the threat of their activities, but more of the activities, if you can call them, were being approved by the military government. They would arrest people. The scale of the violence was not anything near what was going on the other side of the river in Argentina.

Q: Some of them disappeared? People and all..

SLAGHT: There was repression. We were, as a government, at odds with the Uruguayan government on this question. So Pezzullo and Jim [Lyle Franklin] Lane who followed Pezzullo a couple of years later needed to be careful how they pursued these issues.

Q: You were there from '77 to when?

SLAGHT: To the summer of 1980.

Q: What were the commercial issues that you think you're going to need?

SLAGHT: My role was to promote U.S. trade and I did that two ways: I did it in a practical way by advising and helping U.S. individual companies to get into the market to sell whatever they wanted. I did that by making contacts within the business community. I joined a little group called APICUE which was a pro-US business group -- a very small group but lovely, lovely people, wonderful people. I had such a good time with those men. I was a young man at the time, and they were, I guess in their 50's and 60's. We were in quite different age groups, but they respected and they respected my positions, and we had a meeting usually once a week in their little meeting hall. It was as much for them a social time, but we talked trade issues and political issues. It helped establish contacts for me. One of the members there, an active member, was the Caterpillar representative of the country, and I was able over the three years to help a U.S. firm sell goods to the Caterpillar representative as a kind of sideline to his construction equipment business.

Q: I can remember I interviewed somebody, I think it was the ambassador to Uruguay, at some point. He was very proud of untangling the problem with I'm not sure if they were exporting or importing creosote ties or something like that. I mean, was the bureaucracy there the kind that was tying things up or were...

SLAGHT: No, usually not. Usually not. They had pretty high tariff rates there. It was one of the reasons you saw antique cars. I eventually bought a 1929 Ford convertible there for \$800, but they had such cars run in the street because there was 100% duty or more on cars. Ford had a very small manufacturing facility there, but they produced, I don't know, 40, 50 Falcon cars a year there or something. There was an American Chamber of Commerce there, and I was active in that. It was the kind of place, a small country where you got to know just about everyone. I can remember on my going away party that the head of the Finance Ministry and the head of Central Bank came to say good-bye. For me this was a heady time as a junior officer, and I was given quite a lot of latitude by the ambassadors there. They would take me on calls that they would make to companies in the interior. I organized the pavilion of U.S. companies at a major agricultural trade fair that they had once a year. It was the first time it was done, and I ended up getting a Meritorious Honor Award from the State Department over this. It was a wonderful experience. It really set the tone for my interest in a full-time career. I always had this, but after the taste of actually doing it, there was no turning back to this challenge of my life.

Q: Were we at all involved or impacted by I think of the smuggling that went on between Brazil and Argentina, Paraguay in the middle, but also the reflections in Uruguay and all that. Did that?

SLAGHT: No, no. There was smuggling going on, particularly on the Brazilian border. Shoes, coffee and other things. They could always be found on the northern cities. Everyone suspected that they were brought over with the eyes closed of customs officers there. And they'd find their way down to Montevideo, the capital. The country had three million people, and a million and half were in Montevideo, so it was a one city country in many respects. I got to know very well the head of CitiBank and Bank of America there. We're still friends with the Bank of America representative. It was a small American community, and I made sure that the ambassador had face-to-face meetings with as many of these Americans as possible. We set up a monthly

meeting in the conference room in the embassy with a group of them, so they had their input in to the ambassador. He was able to explain what he was doing, what the U.S. government was doing. It was a healthy environment.

Q: This was during the Carter administration. Were you there when Rosalynn Carter made a trip to Latin America?

SLAGHT: No.

Q: Did the fact there was a military...

SLAGHT: Assistant Secretary of State Todman came through. He was the most senior U.S. government who visited.

Q: He was the Assistant Secretary for Inter-American Affairs. Did the Carter administration's emphasis on human rights and all have any impact on your operations, the embassy operations?

SLAGHT: It certainly had impact on the embassy operations, but it had very little to do with the commercial side. I was, if you will, running commercial as if we had no conflict with the Uruguayan government, but human rights was *the* issue in our bilateral relationship. Poor Jim Cheek. He came out of that assignment in Uruguay as DCM and into the State Department as the deputy to Pat Derian in the Human Rights Office, a new office created by Carter. And because of that, the Reagan administration wouldn't touch him later as ambassador.

Q: Jesse Helms in particular.

SLAGHT: And he ended up going to Kabul and then to Addis Ababa and those hell-holes, if you will, and only after Reagan left and Clinton came in was there restitution. He was named our ambassador to Argentina in the first years of the Clinton Administration. Pezzullo went on to Central America and issues with the insurgent Sandinistas. And I don't know what happened to him afterwards. But at least Cheek was adversely affected. These people when they went to Argentina, when Carter went to Argentina and Cheek was there, these people were viewed as heroes. It was very interesting how those people were remembered. These were individuals who stood up for human rights protection, and they were respected for it.

Q: I interviewed Tex Harris who was the human rights office down in Buenos Aires and became sort of the American man out there on the ladies of the ...

SLAGHT: Disaparecidos.

Q: Yes. You say your wife wasn't wild about it.

SLAGHT: At the end of this tour, Carter decided that the commercial function of our government was not being well served by the State Department. With Congress' support, Carter pulled that function out of State and gave it to Commerce, and the U.S. and Foreign Commercial Service was created. This was 1980. I was in my last year in Montevideo. There was an

interview process, an oral exam, that was given to anyone interested. I'm not sure anyone; I guess you had to be asked to be examined. I cleared that hurdle and I flew to Miami for a full-day oral exam with three or four others in the group. I passed the oral exam and then was subsequently asked to join, the first class of commerce officers. In the meantime, I'd been asked while this testing was going on, I was asked to take an ongoing assignment in Panama. The idea was to leave in the middle of the year, and my kids were in kindergarten, and I said, can't we wait until the end of the school year? And the answer from the Commerce Department was, they're young, they'll get over it. I was indiscreet on how I passed on that conversation, and my wife never forgot it.

Q: I wouldn't either. This was probably the stupidest...

SLAGHT: It wasn't quite the days where a wife's performance was included in officers' reviews. We were past that, but not too much past. She was horrified, and besides, she had thought this was a one-time deal for three years in Uruguay, and then we would return home in the States.

Q: Dale can have his fun but let's get real.

SLAGHT: Yes, now that it's over. She was not happy that I had decided that the family would go to Panama. But we went to Panama, and while I was there I was given the offer to join the U.S. and Foreign Commercial Service.

Q: As a fact of the matter, you probably were at the top or thereabouts. You'd done your thing already. You'd proved yourself.

SLAGHT: Yes. I remember one guy who was assigned someplace else who didn't get through the exam. I think there were four of us that tested, and three of us got through, the fourth didn't. He ended up going back to work on the desks in Commerce, country desks. We talked about it. It was just a performance thing for us. We're doing the job, we're all doing it well, it shouldn't be an issue, and I guess it was much more serious than the four of us had thought. Maybe it helped us relax a little bit and helped us do well on the exam, but one of the four didn't make it.

Q: I would suspect the commerce people were doing this. Obviously, the first people to do this, they're on trial. We got to put our best face forward. One last question about Uruguay, Dan Mitrione had been kidnapped and killed. He was the head of the U.S. Public Safety Program in 1970. How about security precautions and all that?

SLAGHT: You know, we never thought much about security, certainly not political security. Our house toward the end of our assignment was broken into early one Sunday morning while we were there, and it did terrify us more because the thieves had broken in through an open window in our bedroom and walked right past our bed and down the stairs and found a wall safe they tried to get into and started to come up the stairs. Our kids, our two boys, were sleeping in a room that ended up between the thieves and us. It was hard on me, too, but it was particularly hard on my wife. I was ready to get on the next plane out of here when that happened. Luckily, we didn't have many more weeks to go, and we moved quickly into temporary quarters and got

out of the house. I remember for the couple of weeks that we were still in the house, we slept with a baseball bat underneath the bed, and we awakened with every little sound on the street.

RICHARD H. MELTON
Deputy Chief of Mission
Montevideo (1982-1985)

Richard H. Melton was born on August 8, 1935 in Rockville, Maryland. He received his BA from Cornell University in 1958. He later attended Wisconsin University where he received his MA in 1971. He entered the Foreign Service in 1961 and served in many countries throughout his career including Nicaragua, the Dominican Republic, Brazil, Portugal, England, Uruguay, and Costa Rica. Mr. Melton was interviewed by Charles Stuart Kennedy on January 27, 1997.

Q: You left London in 1982 and were assigned to Uruguay as DCM. You served there for three years. So you arrived in Montevideo at the height of the Falkland/Malvinas dispute.

MELTON: Right. Uruguay is a very small country--3 million plus inhabitants. It has a livestock-based economy. It has a very close relationship--love/hate--with Argentina. Uruguay was created as a buffer state out of the rivalry between Brazil and Argentina which continues. Uruguay's affinity was much more with Argentina, but this relationship is always on a roller-coaster.

The Argentine Ambassador, representing a military dictatorship, was an admiral, notorious for his authoritarian outspoken demeanor. He had a single view of the Falklands dispute--that of the military regime. He was prepared to regale one and all with his views at diplomatic receptions given the slightest opportunity. He also had very negative views of the US, which he also used to express to any one who would listen.

My Ambassador was Tom Aranda, a non-career official, who had been on the White House political staff. He was a lawyer from Arizona who had been active in politics there. He spoke fluent Spanish and had some connections with Mexico. His principal asset was good Spanish; when his capabilities were tested, he scored 5/4+; he was incensed that he did not also score 5 in reading comprehension. In any case, he had strong views on all subjects. He also had a short-term photographic memory; he could look at several pages for a few minutes and then repeat virtually verbatim all that he had read. That was very useful in using talking points for meetings or public appearances; you could be sure that he would deliver them down to the last period.

I think the reason I got the DCM job was because of the transition that was taking place at the time in Uruguay's political world--from military rule to a more democratic regime. My background in London on the Falklands issue made me somewhat suspect, but on balance was a plus. Uruguay at the time was in the final stage of preparing for an election which would return a civilian-led democratic government following the era of Tupamaro violence and military governments--bad times. I had some experience in countries going through transitions--Portugal

and the Dominican Republic, to some extent, and this I suspect counted with those making the selection.

One of my main challenges in the Embassy turned out to be internal management. It was a heavy burden. The Ambassador was not the easiest person to work with and his relationships with the national employees was often strained. Later, as a member of the Inspection Corps, I learned more about such problems--managing overseas establishments, the role of the chief of mission, morale questions and their relationship to the effectiveness of a mission. So my Uruguay experience turned out to be quite valuable in my subsequent work as an inspector. But it was experience that was hard won.

In Uruguay, the national employees had a difficult time adjusting to the new Ambassador as did the Ambassador in becoming accustomed to a different work environment from the one to which he was accustomed. An embassy is highly structured with agency representatives working with an established cadre of national employees who provide continuity and expertise in specialized areas. These employees are valuable assets; the idea is to get all elements of the mission, including the national employees, to work together in pursuit of US objectives. Generally, that happens but it is by no means a given.

Another way of looking at national employees--a perverse view--is to see them as somehow the authority of the chief of mission. People who represent continuity, according to this view, tend to see continuity in terms of rules and procedures and previous patterns of behavior. New people coming in who want to establish their authority, particularly if they come from an environment where personal loyalty is a primary virtue and perhaps more important than established patterns, can feel challenged by people who assert the dominance of rules and precedent over personal authority. That happened in Uruguay and was one of the core issues that raised tensions between the Ambassador and the local employees.

The same problem, but to a lesser extent, clouded relationships between the agency representatives and the chief of mission. Agency heads have some authority, but clearly the chief of mission has overall authority. Normally, a mission operates most effectively when agency representatives and the chief of mission have an understanding arrived at through discussion and a deliberative process in which all accept that the ambassador has ultimate responsibility for operations of the mission; it is important that the sections chiefs and the ambassador have a mutual respect. This makes for the most effective missions. Unfortunately this environment did not always exist in Uruguay.

The role of the DCM in situation of tensions between the ambassador and the embassy staff, both American and national, is a delicate one. The DCM attempts to bridge the differences and keep the mission moving forward in the most efficient manner possible in pursuit of US objectives. Generally speaking, I think I managed to do that, although there were some tense moments when personality clashes and egos threatened the accomplishments of the mission's objectives. Most of these conflicts were kept within bounds, but it was an educational experience; it was tough, but very worthwhile.

Through it all, my relations with the Ambassador were generally good. He had little confidence in the "bureaucracy." He viewed loyalties as personal--i.e. to him. I am not sure that he would agree with this characterization, but I think this tendency was one of the real problems. He agreed to my assignment, based on the strong support I received from the senior Deputy Assistant Secretary in ARA, with whom I had worked with in London. Ambassador Aranda probably would have preferred someone he selected, who would be personally loyal to him. So there was some initial tension, in general, the Ambassador viewed all staff members in that light--that is unless they owed some personal loyalty and allegiance to him, they were suspect and had to prove themselves. That is not the approach most career officers would take on relationships; in fact, that is not the way relationships are established in the Foreign Service; it is a career service and people perform in a professional manner and that extends to national employees as well. Ambassador Aranda, going against the Foreign Service culture--and at times sound management practices--was not really getting the most out of his staff and that was the problem. My job was to try to bridge those differences; I tried to get him to adjust his view of the staff to give them the benefit of any doubts he might have and to operate less on the basis of personalities. I had mixed success with my efforts. Overall, however, I think the tensions were kept within tolerable limits and the mission's overall accomplishments were impressive.

Let me return to the Falklands/Malvinas issue. Uruguay, as I mentioned, has a certain schizophrenia about Argentina. Uruguay has a long history of Argentine as well as British involvement from its earliest days. There was a substantial British community in Uruguay--as there was in Argentina. The British were fortunate to have an effective High Commissioner in Montevideo. I think the British Foreign Office was pleasantly surprised by their High Commissioner's performance. Prior to the crisis, Montevideo was viewed in London as more of a reward for faithful service than as a training ground for the up-and-coming. The Falklands changed all that. The British High Commissioner, who I came to know well, was a courageous woman and a wise diplomat and stood up under the pressure. She represented the UK very well, particularly when compared to the Argentinian Ambassador I described earlier. In Uruguay, the government was run by the military. The civilian political leadership, who may have differed on certain policies, were totally united in their distaste for the military regime. So most of the political dialogue was with the civilians--the political elites of the two parties: Blancos and Colorados who all supported a speedy return to democratic government. The fact that Argentina was ruled by an authoritarian regime was probably the greatest liability it had to carry--certainly in Latin America and probably generally. It would have had greater support for its action against the British if the government were of a different stripe; as it was, any action that the Argentinian government took was suspect. Certainly the invasion of the Islands was questioned as a reasonable action. So whatever anti-colonial legitimacy the Argentinian regime might have asserted was pretty much dismissed because of its authoritarian origins and its bumbling behavior.

Uruguay was important to the UK in a strategic sense because, particularly at the beginning of the crisis, its supply lines were very tenuous; it had a great deal of difficulty in re-supplying its forces on the Falklands. The British were anxious to find a safe and efficient avenue to evacuate some of the more critical medical cases by air; so they needed landing rights and access to ports somewhere on the continent. So early on, by relying on historical ties, they were able to land their planes in Uruguay. But as Argentine pressures increased on the Uruguayans, those landing

rights were terminated and port facilities were denied to the British. But by and large the Uruguayans did maintain as even handed approach as possible, although toward the later stages, as I have suggested, they were forced to tilt toward Argentina. The role of the British High Commissioner was an important factor in keeping Uruguay to a balanced policy; our role was initially to find some accommodation between the feuding parties, with Secretary Haig's personal involvement. Eventually we came down on the side of the UK. In retrospect, and even at the time, there was no question in my mind that we would support Great Britain.

I remember that during the tensest moment, a friend from London--Hugh O'Shaughnessy of the *Financial Times*--came through Montevideo. He had obtained a visa to enter Argentina using his Irish passport and his Irish name. After he had filed his stories from Buenos Aires, he left Argentina for a few days rest in Uruguay. I invited him to stay with me, which he did. He told me that he was quite surprised by the U.S. position, he had read the press and expected us to support Argentina. I asked him how he could ever come to that conclusion. He finally acknowledged that he had been quite wrong. But I must say that these events took place early in the Reagan administration which included voices that in the early days of the crisis, appeared to support Argentina. In the early stages, we did try to find a formula for settlement; if you are going to be a mediator, you have to adopt an even-handed approach, and that stance might have misled some observers into believing we would eventually back Argentina.

Our decision to back the UK led in Montevideo to several shouting sessions with the Argentinian Ambassador who counted us among the "war criminals." In fact, it was he who was later indicted as a criminal and placed in prison in Buenos Aires for his torture of Argentine political prisoners. The rising level of tensions over the Falklands/Malvinas led to the evacuation of a large contingent of the American Embassy staff from Buenos Aires. Montevideo was designated "safe haven;" so initially that staff came to Montevideo by ferry and over land; they stayed in Montevideo for some weeks before returning to Buenos Aires. That led to considerable confusion because, under emergency evacuation procedures, the clear expectation is that the designated "safe haven" is essentially a stop over place for an onward trip home or to another more secure "safe haven." The idea was that people would come to Montevideo first and then move on. I learned subsequently that an understanding had been reached between our Ambassador in Buenos Aires and the Department. He had no intention of sending his people home; he merely wanted to take some action to ease any morale problems at post and address concerns in Washington. So under the guise of sending them to a "safe haven," he sent certain staff members and their families to Montevideo for a period of time; he had no intention for them to go any farther, established evacuation procedures notwithstanding.

But we at Embassy Montevideo were operating on a different assumption; we expected the BA staff to move on after a few days in Uruguay. We had reports that showed that members of the Argentine intelligence services were active in Montevideo; that created a threat to the Americans from Buenos Aires that we had to take seriously. We imposed certain restrictions on the evacuees; they were not happy with that decision. Some of them seemed to anticipate little more than a shopping spree in Montevideo at US government expense; they fully expected to return to BA shortly. So we had some problems in managing the visitors but it ended happily, with their eventual return to Argentina.

Pressures were placed on the Foreign Ministry by the Uruguayan military who were the closest friends the Argentine government had in Montevideo. Uruguay had some very good diplomats, but they found it increasingly difficult to maintain an even-handed policy. Eventually, we began to see a shift toward Argentina. For example, the head of our Political Section was declared *persona non grata*; the Ambassador was called in by the Foreign Ministry to be advised that this individual was being expelled because he had allegedly made some comments that were deemed by a senior Uruguayan military officer to be unacceptable interference in the domestic affairs of Uruguay; i.e. Uruguay's position vis-a-vis Argentina. The alleged offense took place at a diplomatic reception where Argentinians and senior Uruguayan naval officers were present. The latter brought the allegations to the attention of the Foreign Ministry, pressing for action against the embassy officer. We interpreted this action as a signal that Uruguay was moving to the Argentina camp. In part, the action reflected a shift in the environment as the war continued; the Uruguayans were under increasing pressure to support their large neighbor and to oppose the UK.

We had a debate in the Embassy on what our response should be to the Uruguayan action. There were some proposals made which I viewed as unwise and some which were down right foolish. I counseled strongly against those and managed to stop them. The options considered ranged from ignoring the expulsion; to taking action--not without risk to sources and methods--to disprove the allegations; to responding in kind. In the end, we recommended that a person of equal rank to our section chief in the Uruguayan Embassy in Washington be expelled; that is what happened. The whole episode was unprecedented; the Uruguayans seemed to be seriously alarmed by our reaction. I must say that not everyone in the Embassy favored this course of action; there were some self serving arguments made. I think we did the right thing; we certainly could not have ignored the Uruguayan action and our response was measured and appropriate.

Ironically, we expelled a diplomat whose views were very much pro-American. But he was the logical choice given his position. We managed to maintain a very good relationship with that Uruguayan diplomat when he returned to Montevideo although he was not very happy by the disruption we caused his family life. We gave the American officer who had been expelled a meritorious honor award in a very public ceremony prior to his departure to underscore that we considered him to be blameless. Then we had a farewell reception at the airport when he left--that was widely reported in the media.

Fortunately, the Falklands/Malvinas episode came to an end and our relationships with Uruguay returned to their even keel. We then could focus again on the major issue in Uruguay: the transition from a military authoritarian regime to a democratic one.

The transition took place during my tour. The student-led violence which led to a military takeover in Uruguay occurred at about the same time as similar movements around the world--e.g. the violence in Germany (Rudy the Red and the Bader-Meinhof group). Uruguay is a very European oriented country. The events in Germany and elsewhere in Europe made a deep impression in Uruguay, particularly among the students--the sons and daughters of the elites were the most active in the Tupamaro movement. The Uruguayan economy is live-stock based; but society is urban centered. Building on European socialist models, Uruguay became the first Latin American welfare state. A booming cattle economy supported social indices more frequently associated with northern Europe--high education and literacy levels, long life

expectancy, the highest per capita meat consumption in the world, high social expectations. Expectations rise as the economy expands; when a down turn follows with expectations still high, political trouble is frequently the consequence. Uruguay's political system was simply overwhelmed. The politicians, unable to cope with the violence, invited the military in. The regime responded by restricting political discourse and tightening control. That is the opposite of what should have happened and resulted in an explosion. The dissidents, instead of being accommodated within the system, went underground and turned to violence; the political elites panicked and turned to the military, which took repressive actions. This era was marked by the murder of an American public safety advisor, Dan Mitrione. He was kidnaped by the Tupamaros and eventually murdered.

The military was still in power when I arrived in Montevideo. The Tupamaros had been defeated and essentially eliminated as a viable force by the military at heavy cost both in lives and to the social fabric of the country. The country was gradually knitting back together; the political elites had essentially turned power over to the military. But now they wanted it back. The country was looking for a formula which allow the civilian political leaders and the military to live together in a democratic system. This was not an unfamiliar situation; many countries have successfully managed similar transitions. In the final analysis, an agreement was struck between the political parties and the military on the terms of a transition which would take place gradually following democratic elections. This process was underway while I was in Montevideo, and, despite a number of bumps on the road, a democratic-elected President took power in 1985.

The Argentine situation was a threat to the transition because in Uruguay it tended to increase the pressure for the continuation of authoritarian rule. That translated into the possibility of an interruption in the transition process. The collapse of the military regime in Buenos Aires following the Falklands war was viewed with some reservation by the Uruguayan military; it tempted them to consider not withdrawing from power because of the concern that the Uruguayan military would be held in the same contempt as their Argentine brothers after the inauguration of a civilian government. On the other hand, the fall of the Argentinian junta was welcomed in Uruguayan political circles.

We were very much committed to the transition. We had very good contacts with all levels and segments of society, including the military. We used those contacts to make it eminently clear what our position was; we wanted the transition to move forward without delay. As we neared elections, there were issues between the two competing political parties; one or the other felt disadvantages by the drift of events and one or the other was tempted to push for a delay or a change in the previously agreed rules governing the transition. A bargain had been struck at the beginning that we supported even though it may not have been the bargain of the process that might have been struck following the relative decline of the military's rule. But we recognized that any attempt to change any part of the deal might well have meant a complete renegotiation which might have ended in no deal at all and a prolongation of military rule. So we insisted that all parties kept the final goal in mind and that the disagreements that arose during the transition be settled without disrupting the transition timetable. We were at this point within striking distance of the final goal; as we got closer to it, the parties, seeking tactical advantage, raised objections, as I have suggested. So we held extensive conversations with party and military leaders trying to keep the transition on track.

I think our policy had always been clear--namely that we were supporting a transition to democratic government. The views of some members of the Reagan administration were welcomed by the Uruguayan military--e.g. Kirkpatrick's philosophical treatise on the differences between dictatorships and authoritarian regimes which gave considerable credit to the policies of some military regimes. These views, despite self-serving interpretation by Uruguay's military apologists may have been helpful to us because they tended to reassure the military. I don't think Ms. Kirkpatrick disagreed at all with our policy in Uruguay; she made the point that change at least was possible under a military regime. Democracy was always the goal. Change and democracy were precisely what we were supporting in Uruguay.

Human rights was still a concern. The transition process included the issue of the treatment of certain political prisoners; their rights had been violated in the past, although many of these people had clearly committed crimes and were not imprisoned solely or perhaps even primarily because of their political views. Nevertheless, their treatment in prison was an issue. A number of these individuals had been tortured; the evidence of that was clear. We successfully maintained the most extensive index of prisoners in Uruguay; we made it known to the authorities that we had such a list. That reinforced the pressure to deal humanely with those in custody and to comply with the terms of the political agreements which included provisions for the release of most of the prisoners. We were very conscious of abuses that had occurred. We took a very strong stand on human rights abuses.

Uruguay did not take a major interest in events in Central America. It was far away and was considered diversion. The Argentine military had played a nefarious role early on, particularly in El Salvador. But the Uruguayans saw Central America as a far distant area of no great interest or concern to them. Uruguay's diplomatic tradition was to focus on those places where it might find a niche for itself--where did its diplomacy have a comparative advantage? Returning to the social indices that I mentioned earlier, Uruguay produced a number of outstanding world citizens and diplomats far greater than its population might suggest. One of Uruguay's major exports was these citizens; many of them held leadership positions in international organizations. Uruguay also became a center for international meetings--e.g. Punta del Este, a Uruguayan resort was the site where the Alliance for Progress was launched in the 1960s. Uruguay has consistently produced important figures for the world stage. So it tends to look at issues from a global perspective and for the potential for a Uruguayan arbitration or mediation role.

Uruguay is a small country, but my assignment there was especially rewarding. It is a very special place. The history of Uruguay is unique in the region; the development of its two-party system is instructive, going back to the early part of the 1900s. The political tradition is basically European, with an overlay of the modern American system. Some of the people who rose in prominence in politics while I was there are still very active today. We got to know some of them quite well. We maintain friendships to this day.

JOHN E. GRAVES
Public Affairs Officer, USIS

Montevideo (1982-1986)

John E Graves was born in 1927 in Michigan. He received his Bachelor's and Master's degree from the University of Michigan, and served in the US Navy overseas from 1945 to 1946. Upon entering the Foreign Service in 1962, he was assigned to Leopoldville, Bukavu, Antananarivo, Rach Gia, Lomé, Yaoundé, Tehran, Montevideo, Sidi Bou Said, and Rabat. Mr. Graves was interviewed by Richard Jackson on January 12, 1999.

Q: John, you're out of Iran. You're going through a transition. You're back in Washington. It is 1981. You went then from 1982-1986 as the public affairs officer in Montevideo, Uruguay. How did your transition from hostage lead into that assignment?

GRAVES: I had accrued a lot of home leave. For once, I was able to take it all, which is rare in the case of senior officers. I thoroughly enjoyed it and did a lot of writing and public speaking. I also served in BEX and learned about examinations and recruitment. But I'm a field hand. I wanted to go back overseas. As a former hostage I pretty well could have had any assignment I wanted. All those years in French-speaking countries, I kept thinking I would like to try something else, but my French always persuaded Personnel that I could best serve where my French would be useful. Besides, I have little language-learning ability. (My aptitude test scores showed that it would be foolish to assign me to FSI to learn a foreign language.) I knew the test was right. No ear and no memory. I had learned something of Uruguay from my experience in Santa Isabel where the UN people I got to know best were from Uruguay. It sounded like a fascinating country, an incredible social experiment. So I requested assignment to Uruguay. I spent something like nine months in Spanish-language training but never got to the required 3 level, even though proper students arrive there after four months of training. Nonetheless the folks at FSI were very kind to me. A big pow-wow in the director's office where I was frank to admit that my teachers were excellent and the fault was all mine. They kept asking me what they could do to help. In desperation, I finally suggested that part of what they were teaching didn't have much relevance to my case. For example, the course spent time trying to make English speakers understand the idea of grammatical gender, which I was born to. I finally suggested a transition course, similar to those which converted Spanish speakers to Portuguese or vice-versa. So I was given individual day-long lessons with teachers who knew some French. I thoroughly enjoyed the experience at FSI and my teachers, who came from various Latin American countries and Spain. But I made very slow progress and the powers that be finally gave me a waiver to go to Uruguay without adequate language skills.

Q: Do you think the mental strain of being 14 months a hostage and living with maybe not making it out and then you go cold turkey into nine months of intensive language training. That's pretty tough.

GRAVES: No, I don't think so. I just didn't have any aptitude for foreign-language learning, which is the case for most adults. All children have a marvelous, built-in ability to learn natural languages, but they lose most of this program by puberty. According to recent research, childhood-acquired languages are lodged in a different sector of the brain than languages acquired as an adult. For an adult, there are languages that are closer or further removed from the

so-called native language. Thus Chinese is a very hard language for English speakers whereas Spanish is relatively easy.

Q: What I'm asking is whether having just been a hostage impeded in any way your ability to concentrate over long periods of time.

GRAVES: No doubt my ability to concentrate wasn't as good as when I was twenty, but I doubt that this had much to do with the hostage experience. Be that as it may, I found grappling with Spanish instructive. During my years in French-speaking countries, I observed that many of my colleagues had problems working in French and avoided it when possible. Some even went downhill, gradually losing what French they had learned in FSI. They had hang-ups I could observe but couldn't fully understand. When I arrived in Uruguay, I couldn't communicate. My first experience of being cut off. I labored in an embassy language class every morning. I listened and watched television every evening. At the end of two years, I was at the 3/3 level and could more or less carry on business in Spanish. At the end of my third year I was tested at the 4 level, fluent in Spanish and at ease with Uruguayans. But I have never forgotten what it was like to pick up a telephone knowing I was in for an ordeal. I finally came to understand my colleagues' problems in French-speaking countries. I remember a political officer in Rabat complaining that he had been doing fine talking with a Moroccan at a reception until I came along and joined in. My native fluency caused the Moroccan to switch to normal colloquial French, which was nearly incomprehensible to my colleague.

Q: What was Uruguay all about?

GRAVES: Uruguay is probably the only place in the world where 19th century Fabian socialist ideas were fully realized. And without bloodshed. By 1920 Uruguayans were perhaps the most happy people in the world. Not just because Uruguay was prosperous, not just because it had a temperate climate and beautiful beaches. It also had separation of church and state, a secularized calendar, free schooling through university, redistribution of wealth, easy naturalization, right of women to divorce and abortion and contraception, protection of prostitutes, right to strike, the eight-hour workday, early and generous retirement, free medical and dental care, and finally lots of paid holidays and a long paid summer vacation. Uruguayans became the most robust, the best educated and the most agnostic people on earth. Because the difference between the richest and the poorest was much reduced, most Uruguayans came to think of themselves as middle class. Decades of gentle, democratic socialism taught them how to enjoy life to the full: sun, beaches, sea, sex, sports, travel, family, conversation, friends, music, art, books. Caruso visited Montevideo more often than New York. Being soccer as well as cultural nuts, Uruguayans created the World Cup. They became great experts at enjoying life to the full.

Perhaps it wasn't just the socialist program which made Uruguay different from Argentina. Uruguay is Spanish-speaking but it was never a Crown Colony. The kind of people who settled there may have been different. There may have been a larger proportion of what the Spanish call "new Christians," Jews and Muslims who made a quick conversion to get to the New World because otherwise they wouldn't have been allowed to migrate. So maybe the population was a little different from the Spanish who peopled Argentina or Peru.

Later the Italians arrived. About half the population of present-day Uruguay is of Italian origin. A close friend who was Minister of Education and a neighbor took to dropping in on Saturday for lunch at our house. He always claimed it was because of my wife's excellent cooking rather than my conversation. He was a historian and full of amusing anecdotes. One day he claimed with a straight face that all the damned Italians who infested Uruguay were the fault of us North Americans. He was of Hispanic origins. He claimed the Italians had intended to settle in North America but our Civil War turned them toward Uruguay. In any case, the population is primarily Spanish and Italian, but there are a significant number of people of British and German origin as well as Jews who came out of Europe because of the Nazi persecutions.

Q: Nazi war criminals as well?

GRAVES: First there was the famous Graf Spee which was scuttled off the coast of Uruguay. The German crew came ashore and settled in Uruguay. As for Nazi war criminals, I have the impression that far more ended up in neighboring Argentina or Brazil. Some even hid out under the auspices of the Jews whom they paid for protection. Ironic, hardly politically correct to dwell on it, but some Nazi war criminals could not hide anywhere else than among the Jews. Some even became sincere practicing Jews. One famous Nazi officer even migrated to Israel to help defend the Jewish state.

Q: Thinking about it, you were previously the public affairs officer in Tehran, one of the major embassies at that time in the world. Uruguay must have seemed to you and to the Department a kind of continuing decompression from Iran.

GRAVES: A vacation.

Q: How did it become the most important post?

GRAVES: In talking with Uruguayans in Santa Isabel 10 years earlier, I became intrigued by their socialism. I was convinced that socialist and especially Marxist regimes would never work because of human nature. But what happens when, instead of installing the socialist or Communist agenda by force and maybe displacing millions and killing a lot of people, as was the case with Stalin, socialism is adopted without bloodshed. In Uruguay nobody got killed. Eventually, I think nearly all Uruguayans thoroughly enjoyed their socialist program. It worked for a while because the country was so rich. They were in the business of exporting meat. The grass was lush and the market was great because of the disruptions of two world wars and the Korean War. Uruguay could sell all its beef at a good price even though Uruguayans were not big on competition and hard work. So what happens to people living in prosperous socialism?

Ordinary Uruguayans became incredibly educated, incredibly knowledgeable and interested in the arts and books. And they had the advantage of Spanish, which, unlike English, reforms its spelling regularly. Therefore, there is no gap between pronunciation and spelling. Spanish speakers can read anything they can understand orally. When we say someone can't read English, we may be talking about someone who just doesn't have the intelligence or knowledge to understand a given text. But many people who can't read a given text with understanding can understand the text when it is read out loud to them. Their problem is reading. The problem

hardly exists in Spanish. We had, for example, a gardener who was literally simple-minded, but I could leave him notes and he could read them. He could read anything he could understand orally.

Q: So, the fascination for you was linguistic and because, with such an educated population, they were very receptive to your professional programming as PAO.

GRAVES: Eager but critical. Programs had to be first-rate for audiences in Montevideo. But we didn't turn down lesser shows if they could travel in the provinces. In terms of our goals, the best was Rostropovich, conductor of the Washington Metropolitan orchestra. He had been in Montevideo years earlier as a cellist under the auspices of the Soviets. I thought to myself, "Nobody, not even Goebbels at his best (worst?), ever produced a propaganda coup to equal Rostropovich in Montevideo under American auspices". After the excellent concert, he talked in broken English about his experiences, tears in his eyes, before switching to Russian and his interpreter. He expressed his gratitude for the welcome he had received in the United States when the apparatchiks forced him to defect and how much he admired what he had found in America. Still, he added, tears running down his cheeks, his heart was in Russia.

But what fascinated me most was observing people who for several generations had lived under benign socialism. No oppression. For example, the traditional Christian calendar of holidays and names was modified, but people were not constrained. Those who wished continued to attend church services even though many Uruguayans were agnostic. So what happens to people who have a humanist creed but don't feel a compelling need for absolutes? This was very different from dogmatic Communism. What I discovered is that benign socialism produces kind, gentle, unhurried people, but they aren't hardworking or competitive except when it comes to soccer. If you ask people for directions on the street, as we did when we first arrived, they will stop everything and take you to where you want to go.

Q: Do we really have here something unique to Uruguay or is it the case that you had previously served in almost entirely Third World countries (Congo, Madagascar, Vietnam, Togo, Cameroon, and Iran) and that you were struck by the appreciation of Western culture and higher education? Would you not have had that same impression in Luxembourg?

GRAVES: Probably not. I know the U.S., Canada, and France well and to a lesser extent Germany and Finland, which I inspected. I have even visited in Luxembourg several times. When I think about those developed countries in comparison with Uruguay, what strikes me is the ability of Uruguayans to enjoy life, their easygoing way. I should perhaps emphasize at this point that Uruguay is not a Third World country. The population is almost entirely of European extraction and the climate is like the south of France. In 1920 their standard of living, by most measures, was certainly higher than the level in the U.S.

But now I want to get to the real point. Uruguay came unstuck. After World War II, once the Korean War was over, countries that had been partly destroyed or much distracted by war rebuilt and modernized their means of production. Uruguay was no longer competitive. Not only price and quality, but the idea of selling, of packaging, Uruguayans just weren't good at it. Uruguay's living standard fell. Its social services declined. Worse, it had lots of highly educated people and

a system that kept cranking out still more highly educated people who had few job prospects. Instead of beef, Uruguay exported doctors, architects, and engineers. An economic disaster. Worse yet the escape valve wasn't sufficient. Unemployment and high education produce an explosive mixture. Enter the Tupamaros. It started with the medical students, Robin Hood pranksters who took from the rich and gave to the poor. But the movement soon degenerated into hostage taking and murder, including the killing of an American working in our embassy.

Q: Was that in your time?

GRAVES: No, it was before I arrived. In any case, the terrorist tactics of the Tupamaros became such a problem that the Uruguayan government unraveled. (It was certainly one of the most democratic and also one of the least effective governments imaginable, where the need to create consensus made decision-making a circus). Eventually, the President of Uruguay called in the military to deal with the urban guerrillas. The military successfully repressed the Tupamaros along with a great many others. The repression was not as severe as the terrorism employed by the military in Argentina or Chile. Nonetheless, several hundred people disappeared and many more were imprisoned and tortured.

Q: This was under, by then, the military regime.

GRAVES: Right. Uruguay had a long democratic tradition. Unlike its neighbors, it had never experienced a military take-over. In 1933, the President, outraged because Parliament wasn't doing what he wanted, decided to disband Parliament. He called in not the army, but the firemen to chase out the parliamentarians. The coup only lasted a day. When the military took over in the 1970s, they did it gradually. No doubt they were influenced by what was happening in Argentina and elsewhere. Uruguay ended up with a military dictatorship which lasted 10 years.

Q: The dictator was who?

GRAVES: Nominally, Alvarez. But there was no central person, no personality cult. Alvarez did not wield power. It was the military as a group who devised and implemented the program. They had heated discussions and disagreed among themselves before taking a decision. In sum, the military were Uruguayans. But they never figured out how to improve the economy. On the contrary, it got worse under the military. They didn't know what to do. They had run out of steam and answers. Their chief concern when I arrived was to tippy toe out and go back to their barracks, but they feared retribution. They even held a referendum to change the constitution, which they lost because they organized it like Uruguayans--honest and fair. By this time, I had become good friends with the man who was most likely to be elected President of Uruguay if ever an election were allowed. We often talked about the process which, with luck, would lead to an elected civilian government. We even talked about the problem of retribution and the compromises that would have to be made to avoid civil war. Justice versus order.

The military were desperate to hand over their economic disaster to the politicians. They convoked a long series of meetings with them and for want of better, finally agreed to more or less abide by the constitution and let the political parties elect a parliament. But several parties such as the Communists were not authorized to participate. One of the Blanco leaders who was

especially charismatic was confined to jail when he returned from exile. He wasn't allowed to run, but he was nonetheless in the running because Uruguay has a system where, in effect, it has primary elections within the general election. Each party presents several lists of candidates. The candidates are inscribed in each list in the order they will be selected for parliament after the vote is counted and the number of seats has been allotted to each list. The Blanco lists that favored the jailed leader did better than the other lists. So from the Blanco standpoint, he came out ahead and would in effect be the head of the opposition. The Colorado lists got more votes than the Blanco lists so they would form the government. Finally the Colorado lists which favored Sanganetti did better than the other Colorado lists so Sanganetti became President. Complicated but no more so than our Electoral College.

Q: Sanganetti was your close contact?

GRAVES: Right.

Q: And he came into the presidency roughly midway into your tour?

GRAVES: Toward the end.

Q: 1985/1986?

GRAVES: 1986.

**THOMAS PARKER, JR.
Economic Counselor
Montevideo (1984-1987)**

Mr. Parker was born and raised in South Carolina and was educated at Davidson College, the University of Michigan and Duke University Law School. After service in the US Army, he joined the State Department in 1967 and was posted to South Vietnam, where he worked in the CORDS program. Mr. Parker subsequently served in Japan and Uruguay as well as in the State Department in Washington. His assignments were primarily in the economic development and management fields. Mr. Parker was interviewed by Raymond Ewing in 2009.

Q: Okay. So that started in '82; how long were you there?

PARKER: A little under two years. I think the tour was cut short just by two or three months so I could get into language training at FSI in the summer of 1984, Spanish language training and then on to my next assignment, which was Uruguay.

Q: Okay. So you did some FSI Spanish language training to supplement your Japanese and Vietnamese, which wouldn't have done you much good in Montevideo, and you went to Uruguay, to the embassy in Montevideo in what capacity?

PARKER: I was the economic counselor in that small embassy. It was a very exciting time because I think the election- no, the elections took place while I was there so the military junta, which had been in power for X number of years, had agreed to step aside peacefully. This was after the Falklands/Malvinas war between Great Britain and Argentina, which brought the junta in that country into great disrepute and led to their collapse pretty soon thereafter, as I recall.

Q: That somehow affected things in Uruguay?

PARKER: Yes. I think the junta in Uruguay saw the handwriting on the wall or decided to get out of the way of the steamroller so they stepped aside gracefully. The elections were pretty free and fair; they were a heck of a lot freer and fairer than the recent ones in Tehran but what they had in common was that the junta, on its way out, said each political party can choose its candidate except one party cannot choose their top guy as their candidate; he was forbidden to run so he didn't run. After that it was a contested and hard fought election so new leaders were peacefully elected and sworn in, took their places. We all trooped over in due course and our ambassador presented his credentials and I accompanied him, a lot of people accompanied him, so that was exciting and the most interesting part was the imitation moon walk after you- whatever we did, shook hands, I guess, and probably bowed a little bit, but walking backwards away from the new president so you didn't turn your back on the president. That was amusing.

It was an interesting time for an economic guy because the country had been struggling with the long, severe, not just a recession or depression but really a generation or so of economic decline as the fortunes of the world shifted away from agriculture-based economies and some countries just didn't adjust as quickly as they needed to. So Uruguay had been going downhill economically for a long time; the evidence was very clear all over with very lovely European style buildings but all of which were dirty and dilapidated. Anyway, lots of interesting economic issues; the United States was trying to be helpful without giving away the store. I mean, everybody has constraints; the United States Government can't open up the bag of goodies for every needy country, I suppose. We tried to be helpful to the Uruguayans, also pointing out that it was important that they help themselves, but there was a lot of concern about their debt, you know, external debt of developing countries so Uruguay was among that group of debtor countries. Of course they were concerned with the protectionism facing their exports.

Q: Particularly what products?

PARKER: Textiles. In fact, unfortunately during my tenure there, we began imposing quotas on their woolen textiles. Dick Imus, who was a textiles negotiator for USTR, came down on one occasion accompanied by two or three minders from the textile industry, and boy, they gave him a hard time. I mean, I don't know how he stood it; they were in his face, shouting at him some of the time because he was giving the Uruguayans a little something that was a big something in the view of the American textile reps; it was coming out of their hides so they were being very aggressive, vociferous in defending their interests.

Q: Did the United States have an aid program in Uruguay?

PARKER: One was started when I was there, so USAID sent down, I think just one full-time employee about halfway through my tour so that would have been 1985, maybe 1986. A nice guy, we were friendly, and I was more than happy to relinquish a chunk of my portfolio to him.

Q: Did you supervise him? Or how was that-?

PARKER: No, I did not.

Q: Part of the country team.

PARKER: He was part of the country team, yes. A very nice relationship; friends as well as colleagues and so we exchanged information, coordinated things.

I think we saw the same thing in different ways in Uruguay. On the housing front, when we got to Uruguay, embassy staff would live in separate houses, which we had to find ourselves, it had to be within the budget approved by the embassy, which got us very nice houses but all the military guys had houses that were twice as large and twice as nice because they had allowances that were presumably twice as large, so that was an inconsistency, I suppose, it seemed to me. Similarly, I could not but notice, since I had to buy a second car, some 10 year old, beat up VW to drive back and forth to work, and the USAID guy came and he got his own car provided by USAID and his own driver. So that rankled a little bit. But that's life.

Q: You talked a little bit about United States economic interests in Uruguay at the time; are there others in terms of U.S. business or investment, commercial opportunities?

PARKER: Well, there was certainly an American business community. In most cases these were Uruguayans who were heading up the Uruguay operations of the American business. There were lots of those around. There were several American banks; CitiBank was there, Bank of America; a couple of others, Bank of Boston, so they had offices. At least in the case of CitiBank and Bank of America they had Americans in charge. I think in the others they had Uruguayans in charge. So there was certainly a local business community and the ambassador would host get-togethers I think once a month, bring all these guys together, shoot the breeze, talk things over. I think our major interest, occasionally an American businessman would walk in with a problem of some sort which he expected the American embassy immediately to resolve for him so we would do our best to be helpful, offer our good offices. The major interest was in trying to encourage Uruguay to follow good economic policies so as to breathe some life into its economy, and I think they were heading in the right direction.

It was interesting; they had a number of very well trained economists; I mean, many of them had been trained in the United States at University of Chicago or Harvard or-

Q: Michigan?

PARKER: I don't remember any from Michigan but I don't doubt it; and these were all, you know, free market guys and gals. I almost hesitated over the word "gal." The only female

colleague that I recall happened to be in the foreign ministry but she was concerned with economic affairs. I don't think she had been educated in the United States.

So we nudged and prodded and they seemed to be making progress with their external debt. I'm sure there was a rescheduling or two and I think I was involved in that. I did observe one interesting thing with the passage of time. We had several visits; we had one from Secretary Shultz himself who came down to show support for this nascent democracy.

Q: Secretary of State George Shultz.

PARKER: Yes, Secretary of State George Shultz. In addition, we had other senior officers come through from time to time but I noticed it just always seemed that the Uruguayans were extremely friendly and comfortable with the senior Department of State colleagues and I wondered why until one day I think I saw some international conference on TV somewhere and then it occurred to me, delegations are seated alphabetically in these big halls and Uruguay was right next to the United States and so they got to know each other that way, I think. They were quite friendly.

Q: The kind of advice the United States was giving and you were giving in terms of sound economic practices in this period was also probably the advice they were getting from the International Monetary Fund and the World Bank.

PARKER: Oh, I think so, sure. And probably those institutions, I'm sure it was safe to say, would take the lead. I mean, that's their job as impartial, authoritative, but they both had, you know, small offices in Uruguay.

Q: And you kept in touch with them.

PARKER: Yes, indeed.

Q: How was your Spanish after FSI training?

PARKER: It was pretty good.

Q: Certainly good enough to conduct business.

PARKER: Yes. I could do that. It varied, I guess you probably experienced this yourself, but somehow these things just sort themselves out and with some people you speak your language and some people you speak their language, whatever seems most comfortable.

Q: The- Who was the ambassador during this period?

PARKER: When I first arrived it was Thomas Aranda. He was from one of our southwestern states and a Republican donor. He was followed by a retired federal appellate judge, Malcolm Wilkey. Wilkey had been active in some part of the Watergate legal proceedings; he had issued some important rulings and he was one of these guys who has a gallery of photos going back

over his career that shows him with everybody under the sun. So he brought his collection, had them up in his office. He was, in addition to being extremely smart and accomplished and a good ambassador, just a genuinely nice person who was happy to associate with relatively junior people, get along with them very nicely. He was very wise; he gave me good advice more than once.

Q: And your immediate supervisor was the DCM?

PARKER: Yes.

Q: Do you remember who that was?

PARKER: Let's see. When I first arrived it was Richard Melton and then he left and his place was taken by Richard Brown. So those were the two, just very different styles. I mean, I think they were both equally competent and good at what they did but I'll say Richard was, I think his subordinates found him easier to get along with.

Q: Which Richard?

PARKER: Melton.

Q: And why don't you say something about the composition of the economic/commercial section. You were the counselor or the chief.

PARKER: Yes. Oh, well this was greatly amusing because when I arrived the economic section, of which I was counselor, consisted of one American, me, and then two local national professionals who focused primarily on commercial work. There were three, actually; I think three local national professionals. There was also an agricultural attaché who pretty much went his independent way. I mean, we were perfectly friendly and exchanged information; we were both on the country team but I didn't supervise him.

Q: He was resident in Montevideo?

PARKER: Yes. I'm sorry if I wasn't clear; he was Uruguayan and not American.

Q: Oh, okay. And you didn't supervise him so he was supervised by who? The agricultural attaché in Buenos Aires?

PARKER: Yes, yes. It was interesting because at some point during my tour agriculture determined that it was going to eliminate this position so practically overnight this guy became my best friend and I think, it wasn't me personally but with the help of the DCM and the ambassador he might have been made part-time or reduced hours of some sort, some belt tightening but at least he kept a job.

I was always amazed because economics was so important to Uruguay and we wanted to be supportive and most of the ways we could be supportive were economic ways, and yet I was

there as the only American, physically separate from the political section, by the way, which was up on the third floor in the secure part of the embassy; I was down on the first floor, the less prestigious, less secure, more accessible part of the embassy. The point is, there must have been, let's say the ambassador, DCM, three or four political officers up there and one economic officer. When I looked around the embassy and every other section, whether it was USIA or the two military offices, I can't even recall what the two were but they were two distinct military offices and every other office in the embassy had three or four or five people and the economic section had one. So I actually put this into a telegram at one point, obviously the ambassador signed off on it, said it would be nice to get some help in the economic section, so they did send a brand spanking new junior officer but at least we then had two Americans.

Q: While you were still there?

PARKER: While I was still there, yes. So that provided a little relief, which was good.

Q: You mentioned, I think you said, that two of the locally engaged nationals, Foreign Service national employees in the economic/commercial section mainly worked on commercial work. Did the commercial service from the Department of Commerce have anybody in the kind of the region that looked after Uruguay or were you pretty much doing whatever you could on the commercial side with no input from FCS?

PARKER: Yes. I don't recall any input from FCS. I mean, there were probably written communications occasionally but that's all that I remember right now.

Q: There was no- Buenos Aires didn't supervise- get involved in Uruguay? Because I'm sure there was an FCS presence there.

PARKER: Well, I don't want flatly to deny it; let's just say that I don't remember. I mean, I wouldn't be surprised if there were some communications. I remember talking to the agriculture guy in Buenos Aires so, I'm sure of that.

Q: Okay. Anything else about your time in Uruguay?

PARKER: I guess at this point in time Qaddafi, leader of Libya, was still in his full bad guy mode, and he had done something to irritate President Reagan, so we had bombed Libya, as I recall, in the mid '80s for whatever reason, which seemed like a good reason at the time. So as a result of that we were heightening our security level in Uruguay. There was, just across the estuary, the River Plate, in Buenos Aires, a representative office of Libya, whatever it was called, Peoples Office or something like that, but there was a Libyan establishment in Buenos Aires so we felt threatened so we spent a lot of time and money tearing down a particular fence around the embassy and building a much larger, stronger, concrete perimeter fence, perimeter wall, to protect us, and we were also advised from time to time to take certain security precautions in our daily routines, do this and don't do that. So that was obviously just a foretaste of what was to come later on, after 9/11. Security was heightened because of concerns about Libya so we all took note of that. Otherwise the Uruguayan military stepped aside quietly and watched their budget be cut.

Oh, here's an interesting little tidbit on the utility of the Foreign Service. I mentioned these two large military offices but it was one of the three Foreign Service nationals I had who in doing his job came up with some detailed budgetary data, unclassified Uruguayan military budget data, which he passed along to one of the military offices and these guys thought this was the best single piece of information they'd ever gotten their hands on about the Uruguayan military budget. He gave it to the wrong office so that office gave it to the other office. In any event they were all impressed with the intelligence collection skills of this guy. It was, again, apparently publicly available data but this guy had the expertise to get it out for whatever reason.

Q: To know where to look for it.

PARKER: Know where to look and how to find it.

Q: Montevideo, as you said, is very close to Buenos Aires, across the River Plate. Did you have much to do with the embassy in Buenos Aires or with anything related to Argentina?

PARKER: Honestly the only contact I recall was with the agricultural attaché and that was in the context of the proposal to do away with the position in Uruguay. I visited Buenos Aires two or three times for fun; on one occasion the CITES member states were having their big meeting in Buenos Aires so I actually ran into several of them on the street and I could recognize from a few years previously so we chatted a bit. But I think there was essentially no contact with Argentina.

Q: Okay. Anything else about your time in Montevideo? And it began in '84 and continued until?

PARKER: Spring of 1987.

Q: Eighty-seven.

PARKER: Well, probably the least pleasant aspect was hosting the- was welcoming the team of U.S. negotiators who had come down to impose quotas on Uruguayan textile exports. So that wasn't fun but as I believe I said already, quotas we handed out were about as liberal as we could make them. Uruguayans soldiered on, noting the difference between our stated devotion to principles of free trade on the one hand and imposing quotas on exports from the country which ostensibly we were trying to help on the other.

Q: Were you able to do much in the export promotion area or was there-?

PARKER: Well, there was a big agricultural fair in Montevideo every year. We participated in that with a U.S. pavilion.

Q: Agricultural?

PARKER: Yes. Every year for a number of years the American embassy had rented a certain building and then we would line up representatives of the American business community to rent space and display their wares. So we did that for three years and it was generally a tough selling

job because we didn't give these spaces away; they were, I mean, they were not exorbitantly expensive but for a small country, depressed economy and struggling business any expenditure is an important one, I guess. Nevertheless we generally filled the pavilion and had nice displays and the ambassador would go over and open the pavilion with a nice speech. I guess the last year we were there we actually solicited local artists to bid on a project to create a miniature Statue of Liberty and by golly some local artist created this beautiful replica of the Statue of Liberty, maybe 20 feet tall, made of papier-mâché or something but it really looked good and that was a nice touch.

So these things were always fun; I mean, I'd go out every day while the fair was running, since I was responsible for the American participation, I'd walk over and talk to the exhibitors, getting the feel for what was going on. Another trade promotion effort was this. The Uruguayans actually mounted, with the help of the commercial section, they mounted- I'm sorry, the economic section with its two FSNs focusing on commercial affairs -- the local Uruguayan-American business community did put together a trade mission to the United States which went, as I recall, just to Miami, and it was moderately successful. We were actually cautioned once or twice by our Washington colleagues, I mean, no more than the country desk, to the effect that the United States was also concerned about its enormous trade deficit at this time so let's concentrate on American exports rather than Uruguayan exports. So I did have my chain jerked a little bit but the trade mission went forward and had some modest success.

I do feel embarrassed, I just have to say this, it's just been so long and my memory is so vague but I've had another career since then and the years have passed. I'm sorry I can't remember more detail for you.

Q: Okay. Well, why don't we leave it at that? But let me ask you; Uruguay is a relatively small country in South America and Montevideo I guess is, having never been there I'm really sort of guessing at this, but I assume that much of the action, much of the business activity is centered in the capital, in Montevideo.

PARKER: Yes.

Q: Did you travel much around the country or did you really need to do that?

PARKER: Well I think it's always desirable and traveling around the country probably helps you do a better job. I did a little of it but not a lot. I wasn't pushed by the ambassador to do a lot but I had a few trips, primarily agricultural orientation tours. Once or twice in addition low level delegations of working level executive branch people, the USTR, State, somebody would come down, we'd organize something and get them out into the countryside to talk to people and look at things. So we certainly did see the countryside; saw lots of sheep. That was their most numerous kind of animal. The country is famed for its wool and textiles, produces very nice wool and textiles. I still have, as a matter of fact, 20 years later, some very heavy, hand-knitted wool sweaters that I bought, I don't know, I think they might have been \$25 a piece back in the mid 1980s; beautiful sweaters.

Q: What's the name of the- is it a resort where a number of major hemispheric conferences have been held?

PARKER: Yes. A nice beach resort on the Atlantic, Punta del Este, which means Eastern Point or some such. It's where the estuary reaches the ocean and the shoreline sort of curves so I guess that's the point of Punta del Este. Oh, an amazing place, nothing but- I wouldn't say nothing but, but plenty of beautiful high rise buildings and then a little further from the beach these gigantic luxurious homes of the wealthy Argentineans, primarily. Oh, there used to be a funny little story about how the Russian invasion of Afghanistan led to the building of Punta del Este; just two or three steps but I don't know, the Russians invade Afghanistan, the United States embargos imports of Russian grain. Did that happen? Well that's the story and since we weren't purchasing grain from Russia any longer we had to buy it somewhere else; we started buying from Argentina, which expanded its production substantially; couldn't meet the American demand. A lot of people got rich in Argentina selling grain to the U.S. They had to put their money somewhere so they put it into Punta del Este. So that was the story at the time.

Q: Well it sounds like- plausible. What- Did any major international meetings take place there while you were there?

PARKER: The Uruguay Round got started while I was there.

Q: Of trade negotiations.

PARKER: Of trade negotiations, yes, I'm sorry, which I think was a successful round, ultimately. I mean, I don't think anything necessarily happened during the 10 days that they were at Punta del Este, but at least that round was successful over two or three years. I mean, the current round has been going on for eight or nine years, hasn't it, with no end in sight.

Q: The Doha round.

PARKER: Doha round.

Q: Yes. Were you involved in that meeting that led to the Uruguay round?

PARKER: I was officially on the delegation; I did not go to Punta. You know, I greeted some of the people as they came through. I might have gotten a telephone call or two from Punta asking, you know, something about-

Q: Uruguay.

PARKER: Uruguay and trade and how it all tied together, nothing more than that.

Q: Okay, anything else about your time in Uruguay, '84 to '87?

PARKER: Well, it just came to mind, thinking of the visitors from USTR, we did have a visitor from the U.S. Treasury Department, then-assistant secretary for international affairs, let's say. Mulford was his last name but he was definitely-

Q: David.

PARKER: David Mulford, a very high powered guy, driven, demanding of his staff, allegedly hard to get along with. But he came down and had several nice meetings with the topmost Uruguayan economic and financial officials and I was his escort officer and accompanied him the entire time and he was just as nice as he could be to me, I'm happy to say, and actually in the evening, he was free one evening so my wife and I took him and his wife who accompanied him out to dinner, so that was nice. But obviously I was on pins and needles the entire time because of the guy's reputation but he was just as nice as he could be to me.

Let's see. I guess it was Enrique Iglesias who was minister of foreign affairs when Mulford came through and for some period of time, and the United States liked Iglesias a lot, which had something to do with the fact that he ended up as president of the Inter-American Development Bank. Anyway, Mulford's visit was a challenge but it turned out well so that was good.

Q: And when you didn't have a visit like that I assume that a good part of your time was spent on seeing senior economic finance officials, head of the Central Bank and stuff.

PARKER: Yes, I had access to the minister of finance. I mean, the ambassador did too, when he wanted to, but I had access to the guy; the guy would call me on the telephone. The same with the head of the Central Bank and initially with the head, I forget exactly the name but some planning organization but I passed this guy off to the AID man when AID came in because this entity of the Uruguayan government was concerned with its own development efforts so that seemed the logical thing to do. But one thing I did which perhaps served to ingratiate me with the officials was we used to get this sheaf of paper from USIA every day; I don't even recall what it was called.

Q: Wireless file?

PARKER: Wireless file, probably, with all the speeches of the top level guys or policy pronouncements or what have you, and I would carefully tear out the ones that I thought would be of interest to the respective people; often they came in Spanish as well as English. Send them along so I think that was appreciated.

Anyway, Uruguay has very nice people, very well disposed toward the United States. I should qualify that a little bit, I mean certainly on an individual level just as nice as they can be. As you no doubt well know the political spectrum in Latin America is considerably to the left of the spectrum in our country so I think there was a bit of criticism towards some of the things we did and some of our general policies and approaches to life. In any event, under this particular president, Sanguinetti, who led the conservative party in Uruguay, all of these senior people I mentioned earlier were very well disposed towards the United States; I think we had a good relationship at that time.

THOMAS J. DODD
Ambassador
Uruguay (1993-1997)

Ambassador Dodd was born in 1931. He served in the US Army, Military Intelligence Detachment with the 49th Armored Division.. He received his B.S. from Georgetown University's School of Foreign Service. His M.A. and Ph.D. are from George Washington University. He was a professor at Georgetown University and a lecturer at several institutions, including the Foreign Service Institute, the Defense Intelligence College, the National Defense University, and the Instituto Tecnológico de los Estudios Superiores in Guadalajara, Mexico. He served as ambassador to Uruguay and Costa Rica. Ambassador Dodd was interviewed by Charles Stuart Kennedy in 2001.

Q: Well now, how about Uruguay? Were we taking a look at Uruguay, because Brazil is so huge that's always unique no matter what you think about Latin America? Argentina has had almost terminal problems. But were we thinking of Uruguay next after Chile?

DODD: No, that never became an issue. We were looking at Uruguay as a politically stable, predictable country that would be helpful in creating regional stability in that area and being a key diplomatic agent in terms of getting the Argentines and the Brazilians, and the always volatile Paraguayans into the pattern of creating an orderly Southern Cone market system that ultimately might reach what is called ACLA, or the Western Hemisphere free-trade association. Uruguay was not going to be plucked out for a free-trade agreement with the United States.

Q: Let's talk a bit about the government. When you arrived, what essentially was the government and how did you deal with it?

DODD: The government was headed by Luis Alberto Localle, a member of the Nationalist Party, a center right party, extremely friendly to the United States. One of his interests was to privatize the state-owned, state-managed industry, and the government was anxious to privatize the telecommunications industry, too. So they were especially solicitous of me and the embassy to help and to encourage this and to bring the United States' Small Business Administration down to show them how this could be done. Our relations were very good with the Localle administration, very friendly. He had traveled and studied in the United States, so he knew Washington. He was succeeded by a man named Sanguinetti, who was a member of the Colorado Party, the center left. It was not necessarily unhappy with the state-owned, state-managed industry. Sanguinetti - I've described him - and, by the way, I even mentioned this to him when I saw him frequently - I said, "You're really a Europeanist." I said, "You're more comfortable with French than you are with English," and he said that was true. So Sanguinetti was a more distant...

Q: When you say Europeanist, you're really talking about the labor socialist....

DODD: Absolutely, Italy - he was of Italian extraction, very fond of his country of origin, and was very supportive of the labor movement in Uruguay, which, of course, is very powerful. So there I had a challenge. For example, when I would ask to see him on a matter, he would say, "By all means," but met him at his home later in the day. I suspect or always felt that he did not want a highly visible contact or association with the U.S. ambassador. So I saw him always at his home in his library in the late afternoon. And I must say, they were always very productive sessions. He was always very frank with me, very honest, and also very interesting. I think he's truly one of the best informed Latin American leaders today. He knows the history of that part of the world. He always had something that was helpful to say about how I might look at another country in Latin American, how Washington might deal with it, and they were always very incisive and helpful.

Q: Let's say the president of Uruguay asked the American ambassador, "You know, if you're dealing with Paraguay, you ought to do this." Well, you can pass this on, but this will end up to the American ambassador to Paraguay as being a bit gratuitous.

DODD: I didn't pass it along. But I must say, there were problems with Peru, I remember, and Sanguinetti said to me something that was very interesting. He said, "You know, Peru has never won a war." And you know he's right, "You must understand it's a country that constantly chafes under that sense of defeat." He never really said, "This is how you deal with President So-and-so," but he had more themes, historical themes that I thought were very helpful in terms of dealing with the country's contemporary policy that appeared contentious, fractious, or overly sensitive. I found those kinds of observations very helpful, very helpful. He was well read, extremely well read, not so much on U.S. history and literature unfortunately; again, Europe was his focus of attention.

Q: Did you find, say, that the French ambassador or others were wooing Uruguay?

DODD: Yes, there's no question about it. I got to know the French ambassador fairly well. I could tell that he was very comfortable there, as were most European ambassadors. My closest colleague was the British ambassador. He always said, like me, the record of Great Britain in the 18th or 19th century was not all that commendable. We were not necessarily the outsiders - I don't mean to say that - but my colleagues, other European colleagues and continental colleagues, were very comfortable there, very comfortable. The Sanguinetti government was very solicitous of their interests. I'm referring specifically to meetings that the European Union ambassadors had. There were always Uruguayan representatives there. So there was a lot of ongoing dialogue and discussion with the Europeans in Montevideo. But when Localle was president, I don't think the European ambassadors were anywhere near as close to the government. Localle was much more solicitous of me and the United States with respect to trade missions if he could get them. I saw a distinct change when Sanguinetti came in.

Q: Did this translate itself into any action or inhibiting things. let's say, when Sanguinetti came in?

DODD: There were a couple of votes that the Uruguayan representative at the Organization of American States and at the U.N. cast - with respect to Cuba, for example - that were not in tandem with what the Department of State. So, yes, but this was not the case again under the Localle administration. They were much more helpful and solicitous of our interests.

Q: Tell me: on the subject of Cuba - by this time Cuba was kind of on its own - from Uruguay with a leftist government, a socialist government, was there sympathy for Cuba, or was this a place to sort of show their independence? How was Cuba viewed?

DODD: Well, it was a combination of both. Uruguay under Localle simply was not sympathetic to Fidel Castro and made no pretense of being neutral on it. But Sanguinetti was clearly sympathy towards the Castro regime. In fact, there was discussion that Castro might even visit Montevideo during my period there. There was no question but that Sanguinetti was sympathetic to Castro. That is that he should be recognized and brought into the family of Western Hemisphere. This might have been - I'm not certain - an effort to be more independent. But I think Sanguinetti worked closely with the Europeans on European states that were equally sympathetic towards Castro.

Q: Because the subject of Cuba has come up, when you were teaching and all, obviously Cuba was always there, and there's much more of a debate now than there used to be about whether we've done ourselves more harm than good in trying to isolate Cuba rather than to overwhelm them by allowing visits and getting in and all that. What was your personal feeling on that?

DODD: My personal feeling, Stu, was I thought, and still do, that the time had long since passed when we should recognize Cuba and engage it, that is, bring it into the Western Hemisphere councils, the OAS, and there we could be much more maybe effective with colleagues in pressuring Cuba to be far more humane on human rights and other issues, the distance at arm's length always created problems. As chief of mission in Uruguay, I always was the outsider. In Costa Rica, the Costa Ricans would always say, "What are you really going to do about Cuba?" They were watching carefully, of course, at their neighbors change views like Honduras. So I was constantly under a lot of pressure to be candid about something that I knew was not going to change or didn't expect to change. That got to be very tiring, because it also closed other possibilities of engagement with Cuba.

Q: In a way it sounds like people I've dealt with - and I had little to do with this - with our policy towards Israel dealing with Arab countries and all that. You knew what the political realities were, and there was no point in arguing it, but it was awkward.

DODD: It did impact on several occasions on other things I was trying to do but I'd always kind ran into this issue of sanctions, economic sanctions, against Cuba. That always clouded or crowded out other things that I wanted to get done with these two small countries. And, again, I was also pressed and asked, "What do you really think? What is really going to happen in Washington? Will they change?" and so forth, and I had to stick to the party line obviously.

Q: But those that really had to deal with it understood the politics of the thing?

DODD: Yes and no. I don't think the Uruguayans really grasped the politics of pressure groups here in the States. The Costa Ricans, on the contrary, yes - geographically closer to the United States, the contacts, of course, are so numerous and diverse. The Costa Ricans caught the picture in terms of Congress, its position obviously on the Cuban question and the embargo, those who were for it and against it. Members of the Cuban-American community and Costa Ricans knew each other well. But the Uruguayans were infinitely more - again, maybe geography had something to do with it - simply did not get the full spectrum of different opinions and views in the United States.

Q: Where did upper middle class, bright Uruguayans go to college?

DODD: Europe - France, England, Spain and Italy. This is changing and I could see some movement in the direction towards coming to the United States. Costa Rica is completely the opposite. The upper middle class of Costa Rica comes to the United States. In fact, without exception - maybe I'll have to check this some day - every minister in the Figueres (Jose Maria Figueres, administration that was in power when I arrived) and the Miguel Angel Rodriguez Echeverria government all had attended United States universities earning degrees from U.S. universities. So, again, to go back to my point, there was clearly a better understanding of the United States and its diversity in Costa Rica, more so than in Uruguay.

Q: Was it part of your portfolio to try to get more Uruguayans up to the United States for a significant period of time - I'm talking about maybe either being educated or getting a good, solid visit - and sort of woo them away from this European connection?

DODD: Yes, and let me be precise. This was not done by any directive from the Department of State, but surely with the declining amount of money and funds, the Fulbright program, for example, we had to turn to other resources to do this. I relied heavily on Partners of the Americas. It was established in the 1960s with the Alliance For Progress. The sister state with Uruguay was then and still is Minnesota. So we encouraged academic exchanges, farmer-to-farmer programs. In other words, we made a special effort to do just that, to do it through the state partnerships. I didn't give up on Congress and trying to get money, but certainly I had to be more resourceful in doing this.

Q: I would think that our business programs in universities would be particularly interesting to the Uruguayans.

DODD: No, I have to tell you there was very little activity in that area. The National University in Uruguay is an antiquated institution. It needs some fundamental reform. They simply have not been offering those kinds of courses to attract the attention of undergraduates, nor had there been much interest on the part of the American Chamber of Commerce then in this area. The state Chambers of Commerce, for example, Florida, Texas and California, had not shown much interest in Uruguay. This may have, of course, changed since I've been there, but certainly not during my tenure.

Q: Was there any way that you could call upon the academic mafia, of which you were a bona fide member, through whatever contacts you had with the University of Florida or Minnesota or

something, and say here's a good hunting ground, particularly for masters' degrees in business and things like this?

DODD: I went to the Library of Congress in the Hispanic Division. I got help from them, yes, in tapping some university representatives to come down, from the business schools, humanities and social sciences departments for research projects, and for librarians, too*. That, of course, would have been the interest of the Library of Congress. We did a lot of work in that area to develop programs and library exchanges through the Hispanic Division of the Library. The Hispanic Division put us in touch with other universities who in turn then developed contacts with the libraries in Uruguay.

Q: This was a period - it continues but was really picking up speed - that was the rise of the electronic communications. I'm thinking of programs, computer programs, computerization, and it was really revolutionizing things. Was this impacting much in Uruguay?

DODD: I worked very closely with the binational centers all around Uruguay and was able to get computers into all of the binational centers in Uruguay, about 28 of them. It was just beginning, the importance of rural schools as well as schools in Montevideo to get linked up with the high tech and the computer age. Again, we put in the computers and then hooked up the binational centers amongst themselves and with the major center in Montevideo. We were starting this and it was in its early stages, but we got at least the infrastructure, the computers in place. This was my major achievement as COM in Uruguay.

Q: Was the government leadership plugged into this revolution that was coming? We could see it in the States.

DODD: Barely. The Minister of Culture showed some interest, but we were mostly - we, I say the U.S. embassy and then the United States Information Service, an agency then - we were really cutting new ground and turf and we were on our own. There was really no noticeable or significant assist from the government. Costa Rica was something entirely different.

LUKE KAY
Public Affairs Officer
Montevideo (2002-2003)

Luke Kay was born in Greece in 1969. He received his bachelor's degree from the University of Michigan in 1991 and attended the School of International Studies, Bologna. After joining the Foreign Service in 1998 he has held positions in Brazil, Ethiopia, and Uruguay. Mr. Kay was interviewed by Charles Stuart Kennedy in June 2004.

Q: You did this from when to when?

KAY: So, I left Ethiopia in 2001, had training at FSI/NFATC and went to Uruguay in 2002 as a public relations officer.

Q: How long were you there?

KAY: Again, about a year.

Q: What were you doing there in Uruguay?

KAY: I was a Public Affairs Officer Assistant, but actually, most of the time I was the Acting Public Affairs Officer because my supervisor had gone back to the U.S. to get married and go on home leave. So I was Acting Public Affairs Officer for a long while. It was a very busy time. We had then Secretary of the Treasury Thomas O'Neill visit us on high-level business, and we had Assistant Secretary for Western Affairs Otto Reich come visit. We had the Putsch in Venezuela, the short-lived coup in Venezuela there, where people thought Otto Reich sought to oust Chavez [populist President of Venezuela]. We obviously had to follow the news and whatnot, so it was a very, very busy time period.

Q: What did you do as a public affairs officer?

KAY: I did everything and received White House kudos for my efforts, especially when I was the Acting Public Affairs Officer. I dealt with the press in terms of monitoring the Uruguay papers and let me tell you, the Uruguayans have a strong leftist tendency, a strong leftist party, even though the right was in power at the time. The left was very strong and virulently anti-American, especially our alleged involvement in the failed anti-Chavez Putsch. They would not let us forget our support of their right-wing junta in the '70s.

Q: Were the Tupac Amaru still around?

KAY: Not very much. Tupac Amaru was very weak, discredited. It was a pseudo terrorist organization of quacks and charlatans. Not that strong. But the legacy, so to speak, lived on, a little bit like the Che Guevara myth. And of course, in addition to dealing with the press, the public affairs office also dealt with cultural affairs. For example, the Fulbright scholarship was very strong. We would "adopt" schools, so to speak. Over a series of Saturdays, we went and painted schools, cleaned up school courtyards, planted trees, all very proactive. On the one year anniversary of 9/11, I was in Uruguay. I organized the ceremony in which we had the President of Uruguay, the head of the opposition (currently president). Everyone who was anyone came. We had a big ceremony. We donated trees to plant a forest, one tree for every victim of 9/11, so almost 3,000 trees. It was an excellent time. Uruguay in many senses is basically a "normal" place to live and work. There's theater, culture, the beach, night life, restaurants, anything under the sun. So, very normal, very different from my previous experience. Just a normal place to live. Of course, Buenos Aires is right across the river, a little boat would take you there, so many embassy personnel would go to Buenos Aires for the weekend. I went back to Brazil from Uruguay, not very far, a short flight away. I had a fabulous time, I really, really did. Working in Uruguay was excellent.

Q: How did you find dealing with the Uruguayan press? You mentioned particularly because of Chavez, where we had the appearance of supporting the attempt to oust him. He came out of the populist leftist movement in Venezuela, and I think there was a short lived government for three days or something like that; then it went down the tubes. I think we probably jumped in a little too quickly to recognize it. I assume there was a very large leftist press.

KAY: There wasn't a very large leftist press, just active and loud. At the same time, President Batlle of Uruguay, a friend of Bush on the right, had severed all diplomatic relations with Cuba. He sent the Cuban ambassador back home packing declaring him a persona non grata, all that. The leftist press had a field day with that. There were demonstrations and parades, and they accompanied the Cuban ambassador en masse to the airport to see him off. So, it was really a PR coup for them, because it had such public relations bonanza. Again, the government was very close to us. The people were again about half and half, 50/50, thanks to the strong leftist party. They did not like the U.S. because of our involvement in the coup against Chavez. Because of Tupac Amaru and thanks to our prior support of the right wing governments in South America. Because of the abuses of the right wing death squads against leftists back in the '70s. So it was an uphill battle trying to present the U.S. side, trying to defend US policy, basically. In public relations, our mission was to expand American visibility and culture, overseas and present our side to the press. And of course, to enhance cross-cultural links. Uruguayans coming to the U.S., Americans going to Uruguay.

Q: In Uruguay, did the intellectual class play much of a role as it does in France or some other places?

KAY: Yes, you mean politically or academically?

Q: Politically.

KAY: Yes, they did, yes. And again, obviously many much of the intelligentsia, who had fled in the '70s because of the right wing government, the junta, would come back and were violently anti-American. Even in their movies, even in the cinema, leftist tendencies pervaded, permeating the medium in which many Uruguayan films --they produce all of about two a year--would have an anti-American theme to it. Some more obvious than others, where the oppressed but proud Uruguayan would fight off the behemoth American company. In fact, economics came into play in which they would refuse to privatize decrepit, state-subsidized companies. They refused to privatize companies falling apart. They thought that was pride, Uruguayan pride. The factory was decrepit, old, and in debt, and there would be foreign conglomerates wanting to privatize it, but they would refuse on political grounds, even though this is an economic question. So, privatizing Uruguay was more difficult than pulling teeth. It's unfortunate.

Q: How did you find social life there?

KAY: Again, excellent. Again, in many ways it was simply a normal place to live and work. A place you could basically raise your kids. Very nice. On a human level, the people were just wonderful. It is a sophisticated society. As you know, before the crisis, the Argentine crisis which affected Uruguay--and I was there and I can get to that—Uruguay enjoyed the highest

standard of living in Latin America. Almost on the par with Puerto Rico which is, of course, close to American standards. After the crisis, Chili has the highest standard of living. Uruguay, with a 97% literacy rate, had had a high standard of living, almost on a par with Spain or Italy. Of course, most of the people are of Spanish and Italian descent. I was in Uruguay just before the Argentine crisis. Of course, Argentina-Uruguay is like the U.S.-Canada. The elephant sneezes and the mouse catches a cold so to speak. Argentina is really the U.S. of Latin America compared to Uruguay which is like the Canada of South America. So, the Argentine crisis overwhelmed Uruguay.

Q: Would you explain what the Argentine crisis was?

KAY: Yes, I certainly will. The Argentines defaulted on their IMF loans and could no longer maintain the 1:1 convertibility of the Argentine peso to the US dollar. In short, they were really spending too much and were billions of dollars in debt. So, the Argentines defaulted on their international loans and froze all assets in the bank. Whether pesos or dollars, the banks literally closed. This affected Uruguay in which so many Argentines used to play in Punta del Este, the quintessential Uruguayan beach/gambling resort. Wealthy Argentines used to spend, to get away, but could no longer afford it. So Uruguay suddenly lost its major market of tourists, Argentines. No more money. The Argentine economy fell quickly, pulling down the Uruguayan economy with it. The Uruguayan peso was also tied to the U.S. dollar and also had to fluctuate because of the discrepancies between imports and exports, borrowing in dollars and paying in pesos. So, again, Uruguay devalued the Uruguayan peso. They were several days in which I, as Acting Public Affairs Officer, had to cover every public affairs aspect of the Uruguayan crisis in which their banks closed. There were riots in the streets. The left basically added fuel to the flames in more ways than one urging their supporters to riot, looting stores and plundering shops. Banks were shut. This was a scary moment in Uruguay. Things like these don't happen in Uruguay. Up until then, it had been a quiet, safe society. So, it was scary. All the theaters were closed, an amazing fact since theatre and cultural life are so important. So many theaters and cinemas, all closed.

Q: What was the left trying to do?

KAY: Destabilize the government. They were starting that the government could not deliver on economic and social promises. To the government's credit, it was not their fault that Argentina was failing. They were the closest correlation would the Canada of South America. Argentina had such a strong influence over Uruguay, that Uruguay could not stand its own. So, at the time, during that time, as I mentioned, the Secretary of the Treasury Paul O'Neill visited. Of course, under the IFM, Argentina had defaulted on its loans. Because Uruguay was going to default on its loans, the banks closed. There was literally no money, no cash, nothing; they called it the "corralito." The US funded a 1.6 billion dollar bridge loan to Uruguay. The government of Uruguay was a close ally of President Bush; President Batlle of Uruguay still helped Bush, so the Bush administration returned the favor. We helped them get through the difficult time by loaning this money, this amount of money, \$1.6 billion so they could pay off their debts, pay their civil workers and civil service, and re-open the banks with currency reserves, financial liquidity. Though we helped, this not enough, to the left, too little, too late. We pulled Uruguay out of this crisis. At the same time, Otto Reich became Assistant Secretary for Western Affairs. The left

accused him in the press of being the man behind the scenes of the Putsch, having engineered the Chavez coup. Otto Reich was Cuban-American. He joked about being a right-wing ideologue, an obvious hawk in the Bush administration, reviled by the left. In addition, Secretary O'Neill was egged, and his car was trashed in Argentina because of the protest against the IMF. Those were turbulent times by Uruguayan standards; I was proud to have served in Uruguay during the economic crisis, and in the midst of their political divisions.

Q: Did you finally have at that time, certainly in Europe there is almost a visceral repulsion of President Bush and his administration. Was that played out...?

KAY: It was, mind you, before the second Iraq war, so not as much, but it was definitely there, latent, and it would come up for Latin American issues like Cuba, the Tupac Amaru, the Chavez coup. Yes, it was ready to explode in some ways or others. To give you a little hint, Uruguayan gasoline was so expensive because of that one indebted company, the state oil company. We would easily pay \$2 a gallon at the time, double prices in the US. Now, it's common here in the U.S., but at the time it was very, very expensive. To give you an example, they would rather pay exorbitant prices for oil as long as it was Uruguayan oil, rather than sell off their indebted company to a private American firm.

Q: You talked about the left, but was this a country where the right had been voted in?

KAY: Yes, and in fact, I happened to be visiting Uruguay from Brazil over Thanksgiving weekend, 1999 on the eve of those elections when President Batlle won. Uruguay, as you know, is basically a rural society where half the population of 3 million people, i.e. one and a half million live in Montevideo, the capital. And the rest of the countryside was under populated, the pampas or plains with farmers and small towns. The right swept every single province in the countryside but lost the capital, which means half and half: 1.5 million people each. It was very much like the Bush-Gore election with a split down the middle, except it was a rural urban divide. Metropolitan Montevideo and the workers voted for the left; the entire countryside voted for the right. So the country looked all red with the rural provincial voting for the right because the countryside is full of socially-conservative people. The entire countryside voted for the right. Only the city of Montevideo was blue, voting for the left.

Q: Who was the ambassador during this?

KAY: The ambassador there was Martin Silverstein, an appointee by Bush from Philadelphia.

Q: How was he as an ambassador?

KAY: A nasty son of a bitch with little to no Spanish. He had his issues as well. The DCM under him left for "personal reasons." In reality, he had kicked her out, making life so miserable for her she left to get away from him. He was an incompetent political appointee, a lawyer by training, with little to no knowledge of Uruguay. *Q: Did that affect your work?*

KAY: It did. For example, the ambassador told me that he as a non-Christian, he compared himself to the Pope (!), saying that he was to the embassy what the Pope is to the Roman

Catholic Church, which means he was the one figurehead and insisted on having his picture splashed across every web site, every photo. For example, after the DCM left, he had me excise her out of photos, like the novel 1984, very Orwellian. So, that would give you a taste of the flair for his undiplomatic tactics.

Q: When you left, after your tour, what happened?

KAY: I had curtailed only once, from Ethiopia. In Uruguay I did not curtail my tour. Basically, at the time, I was not tenured. So, after over five years of service to the U.S. government, I left.

Q: Looking back on it, how did this come about?

KAY: I feel obviously sad because I really didn't get to pursue my love of public affairs which I love so much. I loved public affairs, including dealing with the Press, where everything's due yesterday. In press relations, you're running on adrenaline and putting in 18-hour days and whatnot. The other side of cultural affairs, everything is going slowly; you're slowly developing links and ties relationships through cultural programs and exchanges, a slow, composite process. I was disappointed to have been able to pursue my love for and interest in public affairs. As I mentioned, you're being wed or married to one cone, not knowing what that cone is, and conal rectification is very difficult. Swimming upstream, so to speak. I think it was because I was lonely and sad in Ethiopia, that reflected on my EER, and for that reason, I was not tenured. So I was disappointed by the system!

End of reader