Association for Diplomatic Studies and Training
Foreign Affairs History Project

HOWARD H. LANGE

Interviewed by: Charles Stuart Kennedy
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INTERVIEW

Roots and Education: Nebraska Years

Q: Today is June 20, 2000. This is an interview with Howard H. Lange. This is being done on behalf of the Association for Diplomatic Studies and Training. I'm Charles Stuart Kennedy. Do you go by Howard?

LANGE: Yes.

Q: Let's start at the beginning. When and where were you born and can you tell me a

little bit about your parents?

LANGE: I was born on November 4, 1937 in a small town in Nebraska named Hooper, which is about 40 miles from Omaha. My father and mother had both grown up on farms. My mother moved to Nebraska from South Dakota. They met when my father was going to chiropractic school. I think he was ready to get off the farm. My mother was a nurse. They met and got married in 1926. My sister was born in 1927. Then they struggled through the Depression years in small-town Nebraska, which was tough.

Q: Was your father a practicing chiropractor at that time?

LANGE: Yes.

Q: I would think this would be very sparse pickings at that point.

LANGE: It was indeed sparse pickings. Can I tell a story?

Q: Oh, absolutely. We're trying to get some social history in here, too. Please do.

LANGE: My mother used to tell a story, which she included in some recollections that she wrote up before she died. In 1930 when the Depression was really beginning to deepen, they moved from one small Nebraska town, Geneva, to another, Hooper. At the beginning of the "dirty thirties," crops had failed in central Nebraska, and there was very little money in circulation at that time. My father, even into the '40s, had no choice but to take some payments in kind - chickens, canned goods and other commodities. Just before they left Geneva, my mother went around to visit all the people who owed money for treatment. She was very pleased that she managed to collect $100 in cash. The remaining accounts receivable were of course never collected. The drought was less severe further east, around Hooper, but those were very hard years.

Q: Where did you father's family come from?

LANGE: His father was the first child to be born in this country to my father's grandparents, who'd come from northern Germany. They came in 1852 to northern Illinois, at that time outside of Chicago but now absorbed by the city. My father's mother's family came from southern Germany in the 1840s, lived in Wisconsin for several years, and stopped in the Nebraska in the 1870s, before most of them moved on to California. The Lange family, father and sons, were farmers and laborers in Illinois. In the late 1870s, the parents and three sons, including my grandfather, moved to Nebraska and bought land from the Burlington and Missouri River Railroad, whose tracks had reached Clay County by 1871.

Q: What kind of a farm?

LANGE: It was a general farm. They raised wheat, corn and oats, which before farm

mechanization was important as horse feed. I worked on the farm one summer when I was a teenager. There was a pond on the farm, and as a boy I hunted duck there with my father and his friends. The pond is now in federal hands, the "Lange Lagoon Federal Waterfowl Production Area." We also hunted pheasant in the 1940s and '50s, but wildlife seems less plentiful today as trees in fencerows and shelterbelts have been removed to make way for center pivot irrigation systems. It happens that I still have 80 acres of the farm, which passed from my grandfather to my father to my mother to me. It now raises corn, soybeans, and grain sorghum in rotation year to year. Much of the land around it is irrigated, but I've kept it a dryland farm.

Q: How about your mother's background?

LANGE: Her family goes way, way back in this country. Her maiden name was Dawes. The first Dawes in this country came to Massachusetts in 1635 as a 15-year-old boy. And about five generations on, there was William Dawes, a patriot who on April 18-19, 1775, rode with Paul Revere. She was a proud member of the DAR, Daughters of the American Revolution. Her father went from Ohio to South Dakota in the early 1880s, and she grew up on a farm in southeastern South Dakota, just north of the Missouri River.

Q: Your mother was a nurse; what sort of education did she get?

LANGE: She was a teacher for a short while. At that time, a couple of years of what was called normal college qualified you to do that. She taught in one-room rural schoolhouses in South Dakota for a couple of years. Then she and a sister went into nurse's training in Hastings, Nebraska. Even though she wasn't a full-time nurse after she was married, she kept active at it throughout her life. She was very active in the Red Cross, as a staff member and as a volunteer.

Q: And your father was a chiropractor. What was the education?

LANGE: At that time, there were only a couple of chiropractic schools in the United States. The first was the Palmer School of Chiropractic in Davenport, Iowa, and that's where he went. He had earned some money in Chicago and continued to work waiting table during chiropractic school. He completed training in two years, graduating in 1927.

Q: Do you have brothers and sisters?

LANGE: I have a sister, who lives near Seattle. Ten years separate us, so in those early years she was sort of a second mother to me.

Q: What was it like growing up in Hooper?

LANGE: Well, first of all I have to tell you that it's pronounced Hoo-per [as in hooker, not blooper]. It is thought to have been named after Samuel Hooper, a post-Civil War congressman from Massachusetts, who had railroad connections. Hooper was a railroad

town in the Elkhorn River valley, established in 1871. It is today about the same size it was when I grew up there, which is about 800 people. We stayed there until I was through the second grade. Then my father moved us to Lincoln so that my sister could go to university. The only way she could go was to live at home because the family couldn't afford to send her away to school. So from then on I lived in Lincoln.

Q: What was Lincoln like?

LANGE: Lincoln is the second-largest city in Nebraska, after Omaha. It's much bigger now than when I was there, 120,000 to probably 250,000 now. There were only three public high schools in the whole city at that time. In some ways it was a bit of an insular existence, partly because the country at that time was more insular and less diverse. We had a few black families in Lincoln, some Hispanics, and no Asians at all. Now that's all changed, along with the rest of the country. I spent summers working on the farm or working in town.

Q: What was school like?

LANGE: My elementary school and middle school were in walking or biking distance of our house. Even in high school, I often walked or bicycled, though it dawned on me sometime in the first year that bicycling wasn't cool. After that, I mainly walked, a distance of about a mile and a half. I worked in an auto shop one summer. The owner was a family friend, and he sometimes loaned me one of his cars, a very cool 1933 Dodge coupe, so I could drive it to school when I was a senior. In the 1950s, cars were a major teen preoccupation. The auto shop owner also helped me buy and rebuild a wrecked 1950 Plymouth, which I later used to commute from home to classes in my college years. Back to high school, it was pretty big, with a graduating class of 525. Emphasis on sports was heavy, but I was not a successful athlete.

Q: While you were both in elementary and in high school, what were some of your study interests?

LANGE: Beginning early and extending into high school, I had a talent and liking for the sciences and mathematics. I did quite well in them, and my teachers all encouraged me to go into engineering, which was the hot field of the day. They had just started advanced placement courses, and I took college-level trigonometry and did well. I liked writing, and even joined the poetry club, but for some reason never penned a poem. History was not a favorite subject; it just didn't come alive for me at that time. My foreign language was German, but I didn't particularly distinguish myself. So I naturally slipped into engineering when I entered university. It then took me a couple of years to acknowledge that this was not a wise career choice for me. One symptom was that I was sleeping in my classes, especially engineering. So at that point I switched to liberal arts and picked the only major that would still permit me to graduate in four years – psychology. I had some interest in the subject, but I didn't do especially well.

Q: How were your reading habits? Were you much of a reader early on?

LANGE: I guess I was, certainly compared to the present generation, which has television and other distractions. You did a lot of things to take up your time otherwise. I always liked reading, but I yielded to distractions; I wasn't a voracious reader.

Q: Where did you go to university?

LANGE: The University of Nebraska.

Q: By the way, while you were in Lincoln, did politics intrude at all? I was wondering whether the state government made any impact at all?

LANGE: It's too bad that I didn't pick up on the interest that my father obviously had in politics. I can remember hearing him railing about national political figures. I didn't hear much about local politics, but perhaps because I wasn't tuned in.

Q: Where did you father and your mother come out on the political spectrum?

LANGE: My father was certainly pretty solidly Republican, fairly conservative. I don't know how he came to look at things later in life, when he seemed to have less political passion. During the McCarthy era, he was pretty much persuaded that McCarthy was on the right track. He was fooled along with a lot of other people.

Q: The Midwest was always McCarthy's strongest place. It was prone to sort of latent isolationism I suppose.

LANGE: Yes. He didn't like FDR. He had a strong impulse toward populism, and he didn't trust the rich. He had little use for those born to privilege. He didn't care much for Truman or Acheson either.

Q: Did you get any feel for the outside world? The Cold War was shaping up; Korea started. There were things going on. Did that intrude at all?

LANGE: In an unusual way. I can't say that I was interested in geopolitics at all at that age. But I had a cousin who was a conscientious objector. In fact it went beyond that. Not only was he a conscientious objector but he refused to register for the draft. In those days there were penalties for that; in his case, it resulted in prison. That gave me a quick lesson in some aspects of national policy and the Korean War. I think I reflected on those types of issues more than many of my contemporaries did.

Q: In high school or even in college, was it still pretty insular would you say?

LANGE: Yes, I think so. During the period I was going to college, which was '55-'59, you still had a lot of Korean War vets going to school. And they certainly added a new

element, a sort of awareness of the world outside Nebraska that wouldn't have been there otherwise. But I can't really say that I had a deep interest in the outside world until after college.

Q: Trying to think of the newspaper – there's the Des Moines Register, but that's kind of far away – there's no Nebraska newspaper that comes out -

LANGE: The local papers were the Lincoln Journal and the Lincoln Star, now merged. They were considerably behind the Omaha World Herald in terms of news coverage, and the Herald in turn fell short of the Des Moines Register. The Register reflected a more sophisticated and aware point of view. At one time or another in my youth, I delivered the Star, the Journal and the World Herald. I guess kids don't deliver newspapers any more. Too bad.

Q: I think one of the things it's hard for people to understand is depending on where you are, you are cut off, even today, unless you happen to subscribe to a major newspaper. Television is not that good. I mean you can really be in some of those places, particularly in that era, completely unaware of the issues.

LANGE: Yes, we read the Lincoln Journal at home. We didn't get television until 1955, my last year in high school. So it was radio or the Lincoln Journal, neither of which offered much international news. On the other hand, I was rather clueless; I didn't miss it.

Q: At college, your major was psychology? What was the state of teaching at that time? Was Freud king?

LANGE: Yes, psychology, with a minor in English, and by that time I had enough math credits to get a minor in that. I don't remember a great deal about my psychology course work. I never applied it; as soon as I graduated, I was into other things. Freud and Jung were big names in clinical psychology and psychiatry, though undergrads had to spend a lot of time laboring in the fields of experimental psychology. Skinner was one of the big names in that field.

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Air Force, 1960-1967

Q: You graduated then in 1959. What happened?

LANGE: Well, two things. First I had a shot at graduate school. I had gone through ROTC so I was committed to go into the Air Force, but I toyed with the idea of delaying that. I took some courses in educational psychology. It was deadly; I couldn't stand it, especially the education component. So I became resigned to going into the Air Force when they called me up. I had met a girl during a summer job in the state of Washington – a lakeside lodge on the Olympic Peninsula. I worked at manual labor jobs – pouring

concrete for the new Interstate 80 was one of them – for a while to earn the money to drive to Seattle. There, I applied for and surprisingly got a job with the Boeing Airplane Company even though they knew that I was ripe for getting my military active duty orders, which I guess was a measure of how their business was booming. They were just hiring anybody. Anyway, I did get my active duty orders late that year - December.

Q: How long were you in the Air Force?

LANGE: Seven years, two months and 18 days. I don't know why I remember that so precisely, but it was a lot longer than I had planned. My first tour was back in Nebraska, just 50 miles from home, and that was a disappointment. You know, "Join the Air Force and see the world". I reported to Offutt Air Force Base outside Omaha.

Q: What was Offutt? What was their specialty?

LANGE: Well, that was the headquarters of SAC, the Strategic Air Command. It was an important base at that period of time. I was in kind of an odd branch of the air force, which was the Office of Special Investigations (OSI). We didn't wear uniforms; we did background, counterintelligence, and criminal investigations. I can't really complain about the couple of years I was at Offutt, because I did a lot of local travel, doing background investigations. I learned a good bit about southeast Nebraska, southwest Iowa, and northwest Missouri.

Q: In a way it's good training for the Foreign Service, particularly consular work or something like that. Can you think of any cases that stick in your mind? It's hard to think of that area as being a hotbed of anything.

LANGE: Well, most background work is dry as dust; very little comes of background checks. Of the thousands of leads that I did, I am aware of only one, involving a connection to Cuba, that developed into a counterintelligence investigation. More interesting was the criminal investigation aspect of it, which was a continuation of my education in life, and it cured any notion that I wanted a career in law enforcement. Work in that field fosters a pretty gloomy view of human nature.

Q: Were you working mainly with people concerned with the Strategic Air Command?

LANGE: While I was in Omaha, most of the investigations had to do with people who were assigned to Strategic Air Command or the base. I also had some temporary assignments at other bases in our region. There were some dramatic cases, including homicides.

Q: How would the Air Force – I assume the murder would take place within the continental United States and what did you all do?

LANGE: Well, it depends where it took place. That determined the jurisdiction, whether

it took place on base or off, in which case local authorities had prosecutorial jurisdiction. One example of an on-base incident took place at Offutt. A senior sergeant was shot to death while he was on duty deep within the bowels of Strategic Air Command bunker, and this set off, literally, alarm bells. It was evident from the outset that the fatal wound was self-inflicted, and it turned out, as we were persuaded after interviews and forensic work, that it wasn't a suicide but rather an accident. He was cleaning his weapon and made several classic mistakes: not clearing the weapon, not wiping off excess oil, and pulling back the hammer so he could look down the barrel. You can guess what happened. That was one case where local authorities clearly had no jurisdiction and no interest in investigating.

Q: I would have thought that you would have felt a lot of the pressure that was on the Strategic Air Command. I mean these people were on hair-trigger alert all the time. And this had to do all sorts of things to relationships and everything else plus the fact that everything they did was a little bit like one big family, where everybody knew what everybody was doing.

LANGE: Well, it's interesting. Most of the cases, most of the criminal cases were pretty routine, routine in the sense of things you'd run into anywhere at any time. Larcenies, assaults. I can't think of anything that would relate, in a meaningful way, to the sort of tensions that were generated, though I suppose that counterintelligence antennae were more finely tuned that at, say, an Air Transport Command base. Homosexuality was a whole different ballgame at that time; it was thought to raise counterintelligence risks because of the possibility of blackmail. That generated a number of investigations among people with security clearances, which was a high percentage of personnel on the base.

Q: Wife beating and things of that sort?

LANGE: Well that probably wouldn't rise to the level of a formal investigation, unless there were injury. That's the kind of case the Air Force would have kept under wraps, handled by the command structure as a disciplinary matter rather than the OSI as a criminal matter.

Q: Did you feel the fine hand of – was Curtis Lemay still a SAC commander?

LANGE: I wasn't aware of it, not as a lowly second lieutenant. We were sort of a kingdom unto ourselves. The OSI regional commander reported to Washington, not to the base commander or, in the case of Offutt, to the Strategic Air Command. This central command structure for investigations was mandated after an infamous case in the late '40s or '50s, in which a local commander quashed an investigation for personal reasons. I suppose that my bosses may have felt some additional pressure because of the high profile of SAC, but at the working level, the pressures we felt were similar to those in many jobs, such as the unrelenting caseload. This was before copy machines so we had a typing pool. We must have had 15 to 20 girls in the pool, and all they did from dawn to dusk was type reports, in multiple copies, using carbon paper. It's easy to forget about

those dull, routine jobs.

Q: How long did you stay with that, while you were there in Omaha?

LANGE: Well, it was two years. As I said, I was disappointed not to get a chance to see the world. So out of my disappointment, I began looking for a more adventuresome assignment, and fate played a hand. At that time, I thought that I just wanted to fulfill the obligation of my officer commission and get out after four years of service. In college, ROTC had paid for pilot training at the local airport. I got a private pilot's license, and I was supposed to go to Air Force pilot training. But that would have entailed a five-year service commitment, which I thought at the time was too long, so I managed to get out of pilot training. Anyway, after a couple of years at Offutt, I was looking for a foreign assignment, and I picked out those that required language training that I could get into quickly and that had short tours on the other end. I applied for Arabic or Chinese. Thank God they picked me for Chinese. Perhaps Arabic would have been alright, but I was glad that I was heading for the Chinese-speaking part of the world.

Q: Where'd you go to school?

LANGE: In Monterey, at the presidio, what was then the Army Language School and is now part of the Defense Language Institute.

Q: Oh yes, I did a course in Russian there, back in '51, for the Air Force. How long was the language training?

LANGE: It was a year, maybe a couple of months short of that. It was good training.

Q: I would think though that normally before we turn a foreign service officer loose that they have to go through about two years. How far did a year get you?

LANGE: A year got me fairly far along in terms of conversation, but we didn't do much in reading. By the time I got to Taiwan, I could do okay in conversation.

Q: Were you still in the investigation branch?

LANGE: Yes.

Q: So you were in Taiwan from when to when?

LANGE: 1963 to 1966 -- two and a half years.

Q: I forgot to ask – did you get married during this time?

LANGE: Well, I did. I got married, and I got unmarried. I was married shortly before leaving Omaha. By the time I left for Taiwan, I was divorced. I remarried much later, in

1979.

Q: What were you doing on Taiwan?

LANGE: I was stationed at Tainan Air Station, which was on a Chinese airbase on the southern part of the island. We had a small air station there and a detachment of OSI, which consisted of me and a local assistant. The fundamental function of the air station was to keep F-100s in two hangars on constant alert. The air station was dedicated to supporting their mission, which was sensitive.

Q: How was it handling this sensitive mission on a Chinese base? Was that a problem?

LANGE: I didn't get into that aspect of it, but it certainly presented no problems that I was aware of. The Chinese Nationalists were glad to have us there, and they ran a tightly controlled regime that was still under martial law. They kept secrets and there was full cooperation at the policy and operational levels.

There was also another facility at the base, and that was Air Asia. Air Asia was the parent of Air America (or was it the other way around?), which you probably remember from Vietnam War days. The company had an amazing facility on the base. They maintained everything from old C-45s and C-46s up to a Convair 880 and F-105s coming back from mission in Vietnam. The 880 belonged to Civil Air Transport, CAT, and it was the only aircraft that the airline had to run all of its international schedules. It would come in every two weeks for maintenance, arriving Friday night and out by Monday morning, having been overhauled in those 55 hours or so. It was a very impressive facility with a wide range of aircraft. It was also sort of a precursor to the coming technological transformation of Taiwan. A handful of expats were efficiently transferring skills and knowledge to a very able local work force. It was an interesting place.

Q: Did you have Taiwanese investigators working?

LANGE: My local assistant was Taiwanese. Some years later, he joined the U.S. embassy staff as an investigator.

Q: What sort of things were you doing?

LANGE: A lot of it had to do with liaison with the local authorities. I also covered Kaohsiung, south of Tainan, which was a liberty port for the navy. I had a certain amount of business down there in the criminal area. I kept in regular contact with the local authorities including not only civilian and military law enforcement, but the political structure – the mayor's office and so forth. There was some criminal investigation – larceny at the PX, extortion and fraud at the NCO and officers clubs – that sort of thing. I also investigated there the perfect murder.

Q: Oh, what was that?

LANGE: A couple and their two kids had been transferred from Japan; he was an Air Force civilian employee, she was Japanese by birth. He had a mistress in Japan that he intended to bring to live with them. He maintained that this was consistent with tradition in Japan. She stewed over it for a couple of months. One day he took a trip to Taipei to file papers to bring the other woman from Japan. When he returned and walked in the front door, she shot him with a deer rifle. When he slumped to the floor, she told me in a statement, he said, "I'm dying!" "That's right," she said, and shot him again. It was a messy investigation in more ways than one. Our ambassador, Jerauld Wright, a retired Navy admiral, insisted on a report on his desk first thing Monday morning. The homicide took place late Friday night, but I managed to make the deadline. I was investigator, photographer and everything else. But it wasn't a perfect investigation, and it was criticized by my headquarters. It lacked photos from certain angles prescribed in the manual, and it blotted my copy book with OSI. In any case, we proceeded with the investigation, sent the evidence to an Army lab in Japan for ballistics, fingerprints and all that. It was an airtight case, and she made no bones about it: "I did it!" She really did expect to be hung at dawn from the nearest yardarm. But she wasn't. It presented a policy problem, which is why the ambassador was so anxious to deal with it. Although the crime occurred off base, he didn't want to cede jurisdiction to the Chinese authorities out of concern for precedent. The Chinese did not want to press the point, since no Chinese citizen was involved. But under U.S. federal law, murder is not a crime, and no U.S. local or state authority had jurisdiction. In short, no U.S. authority could prosecute the case. Strictly unwittingly, she had committed the perfect crime. She got a ticket to New Mexico, where her husband's parents, the kids' grandparents, lived. We even had to return her property, including the rifle. She later wrote to me complaining that the rifle had been damaged! It was bizarre!

Q: Were there any newspaper accounts of this or did it all sort of fade away?

LANGE: I don't remember any coverage, but there must have been something in U.S. media.

Q: Were you able to observe Taiwanese, which obviously in those days were KMT type of police? Did they have a pretty heavy hand? Was this apparent to you?

LANGE: As you may recall, Tainan was the site of the famous 2/28 incident. This was February 28, 1947.

Q: This was when they really killed an awful lot of Taiwanese. They tried to resist.

LANGE: Mainlanders came in and established control. There was a lot of sympathy for the Japanese among those native to Taiwan.

Q: This is what I've heard; it was sort of, the Japanese looked upon Taiwan as a nice place to go and paid the people really well.

LANGE: Japan really developed the island. This is generally ignored when the reasons for Taiwan's development are cited. Some other development factors are obvious – there were highly educated Mainlanders who came in. They had political power but no economic power, so they promptly instituted land reform, compensating the former landowners with stock in state corporations and creating a new class of capitalists. But what's often ignored is that the Japanese put in place a pretty solid infrastructure.

Q: It was a captured territory, not in the recent past. Well, were you observing the police actions and military police actions on the Taiwanese by the ruling government of that time?

LANGE: Any sort of dissident political action was very *sub rosa*; at least it was hidden from my view. The limits to political expression were strict, well-understood and institutionalized, so overt repression was unnecessary. My assistant was Taiwanese. He had, in fact, as a teenager during WW II done forced labor in Japan and he spoke fluent Japanese. He had no love for Mainlanders, and sometimes he pushed the envelope. We would go on a call and sometimes, even in a military office – and the military was a very Mainland institution – he would address someone out of hearing of the others in Taiwanese, not Mandarin. At that time, that was really bold. You wouldn't be arrested for something like that but you would certainly be fingered as someone worth watching. I thought he was taking a chance, but he was in a small way asserting a Taiwan identity. I could never tell how, but he knew when he dated use Taiwanese, and he was never wrong. The situation is totally different now. Taiwanese is becoming the lingua franca even in the Ministry of Foreign Affairs, which was the last bastion of Mainlander dominance in the government. With the advent of Taiwan born presidents, the shift to Taiwanese has occurred in the President's Office. In the 1960s, Taiwanese of a certain age, when they were in their cups, would sing Japanese drinking songs, including military songs. So it was an interesting cultural mix.

Q: What happened to you in the Air Force?

LANGE: Well, after I got this unfavorable comment on my investigative performance in the "perfect murder" case, I was sort of soured on an Air Force career. I learned more about the episode while reviewing my file in Washington *en route* to my next assignment. (There was no requirement at the time for raters to discuss evaluations with those they were rating.) My boss in Taipei, a lieutenant colonel, unbeknownst to me had chosen to protect his career rather than defend my performance. That deepened my dissatisfaction with a military career. I was reassigned to an office in downtown Chicago, which did only background checks. Essentially I was doing the same thing I had been doing four years previously, in Nebraska. So I decided it was time to make a break and considered graduate school or law school.

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Graduate School, 1967-69: Asian Affairs

Q: So you left the Air Force in '56?

LANGE: I left the Air Force in March of '67.

Q: Where'd you go to graduate school?

LANGE: Seattle. University of Washington.

Q: So Seattle grabbed you?

LANGE: I mentioned earlier some of my Seattle connections. Also, my sister has lived there for many years. I took a trip in 1966 to visit the University of Washington campus. It was the middle of winter, which is a lot different in Seattle than in the north central U.S. I was weighing grad school in Seattle against Ann Arbor, University of Michigan, and in mid-winter, it was no contest.

Q: You were at the University of Washington from '67 to when?

LANGE: '69.

Q: What did you take?

LANGE: Asian studies. I built on my Chinese language and did work in economic history. That's what I did my Master's on – economic policies of the Chinese Nationalists during the 1920s and '30s, when they had a brief opportunity to consolidate and strengthen their government.

Q: Well you came at a time, were you seeing reflections at the University of Washington, during the time you were there '67-69, of the anti-Vietnam demonstrations? What was the spirit of the campus at that time?

LANGE: Definitely. Anti-war sentiment was very strong on campus. The UW had managed, through its Far Eastern and Russian Institute, to capture Cold War money that the DOD was funneling into those programs at the time. George Taylor was a senior professor and had been instrumental in establishing the Institute. He had co-authored with Franz Michael a survey textbook, *The Far East in the Modern World.* He taught by choice an introductory undergraduate lecture class of 100 or more. Many of these kids (I was over 30) were openly hostile and disrespectful, and that really reflected the mood of the times. They dismissed him as an apologist. I thought that he merited a hearing and a degree of respect, but he was very supportive of the government and its efforts, and this was definitely out of favor. Five of us in graduate school shared a house – three of us were older, two younger – and I think all of my roommates suspected that I was selling out to the establishment when I decided to join the Foreign Service.

Q: Where were they headed? Doing Asian studies, it would seem, were they going to be teaching or going into business?

LANGE: Well, two of them became academics. They were genuine scholars. (I don't consider myself a scholar.) These were the two younger guys. One was a language phenomenon, truly gifted, and he became a professor in philology. The other one went to law school and is now dean of the University of Hawaii Law School. A third dropped out of school and for a while was selling books at an SDS bookstore. He has been teaching English in Japan for several years, and he recently married. Two others became teachers; one lives on Lanai and another in Hilo, Hawaii. (I know this adds to more than five, but I was there 2 ½ years, and I had different housemates at different times.) Another roommate, Bernie, who is my age and like me has a military background, became a good friend, and we are still in touch. He was a Fulbright scholar in Korea, then a foreign correspondent, later bought a newspaper in Maine, and he's now in partnership with another guy, putting out a sailing magazine in Maine. In the 1970s, we happened by chance to turn up in Manila at the same time, and we built and sailed a 26-foot sailboat.

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Foreign Service: Training for Vietnam, 1970

Q: What were you thinking of doing when you were going to grad school?

LANGE: I had taken the Foreign Service exam in Taiwan.

Q: How did you hear about it?

LANGE: I don't remember, but I took and passed the exam at the embassy in Taipei. I took the oral while I was in the Air Force in Chicago, but I didn't pass.

Q: What were some of the questions on the oral?

LANGE: I only remember one, which was a perfectly legitimate question, but it caught me wrong-footed. I mentioned earlier that when I was stationed in Taiwan, Kaohsiung was a U.S. Navy liberty port, and I had certainly seen the seamier side of liberty. One of the questions put to me in the oral was, "You're a vice consul in some city where an aircraft carrier is coming in for liberty. How do you plan activities to prepare for this?" I froze up. All I could think of was the bars and red light districts; i.e., how liberty really happens in most ports in the Far East, but that clearly was not something a U.S. vice consul should plan for. I can't even remember what I answered, but I'm sure that the panel didn't give me high marks. I do remember that I thought how ironic that I would get this sort of a question. I should have been prepared to answer it. I was annoyed with myself.

Q: Well, I'm a great reader and I remember when I took the written exam, they said "Do a book report of a recent book you've read." And all of a sudden I was just blank. And I ended up writing a book report on a book, which I cared very little about. I just couldn't think, and I read a hundred books a year. It happens. What sort of inspired you to take the foreign service exam.

LANGE: Well, I had tasted life abroad, and I was still a bit wide-eyed about it. You know, this-is-a-long-way-from-Nebraska-isn't-it sort of a thing. I thought, well I have a start, this is interesting and let's give it a shot. I took the written exam again while I was in grad school and went down to San Francisco to take the oral. I passed the oral, but for some reason the chairman volunteered that I had not exactly bowled them over. I don't know why he did that, but it certainly didn't boost my self-confidence. As I was approaching the end of the master's program, I was weighing my next step, perhaps more graduate school. At this time, the offer of a foreign service appointment came, and here lies another story.

As I was to learn later, the State Department handled the question of service in Vietnam somewhat differently at different times. My appointment letter was conditional: it asked if I would be interested in accepting an appointment with the understanding that Vietnam would be my first assignment. I thought, "How about that? They're really interested in my Asian experience and expertise!" I really did. Still naive at age 31! If I was a little wiser to the ways of bureaucracies, I would have called somebody in the Department and tried to find out what was going on. Well as it turned out, my incoming A-100 class numbered about 35. Everyone had received that letter, but only five of us had accepted it. Everyone else had turned the deal down and shortly thereafter was offered an unconditional appointment anyway.

Q: You came in when? '69? What was your class like?

LANGE: It was a pretty diverse group for the time, certainly geographically. As far as ethnic and racial diversity, out of the 35, three were black, two Asian American, and one Hispanic. Women were much less represented than they are in today's foreign service.

Q: What were you getting from your – here you were in the guts of the foreign affairs establishment when you got into your class in 1969. What were you hearing about Vietnam, not from the official pronouncements, but from young foreign service officers?

LANGE: There were passionate feelings among some individuals in the class. I remember we had some off-site training and someone from the director general's office came in.

Q: That was John Graham wasn't it?

LANGE: I don't recall the name, but that wasn't it; perhaps it was someone else from the DG's office. Vietnam was a huge personnel issue for the department - that's what some

people don't realize. FSOs were resigning or refusing to go to Vietnam. This representative of the DG came to our off-site and spoke about Vietnam, which soon turned into a spirited and sometimes emotional discussion. I remember we had one person, David, who started shouting because he was so strongly opposed to sending foreign service personnel to Vietnam. He saw this problem as one for the power structure, which he considered responsible for the notion that it could be solved militarily. I'm sure all my classmates remember him uttering this: "I want the blood on their hands." And he pointed at this guy giving the presentation. It was so shocking, not just that someone would feel so strongly, but that he would become part of an institution that he seemed to hold in such low regard.

Anyway, it was quite an emotional time for some people, particularly those who had decided that they couldn't, in conscience, accept the initial offer of employment and serve in Vietnam. They just didn't want to contribute in any way. I think I was being honest in telling myself it was better to try and have an effect on what was going on than to ignore it. Of course I would also say that if I was just rationalizing, but I really believed it. This clash of attitudes became manifest during my subsequent nine months of training at the Vietnam Training Center (VTC), where you had a real mix of cultures. The range of experience ran from lieutenant colonels who'd already had a tour of Vietnam duty all the way to young Peace Corps alumni who had accepted AID appointments. Some of this latter group very cynically drew their salary, plus per diem for a year of training, then resigned.

Q: It was a very difficult time. Also I think that you were maybe somewhat atypical by having had military experience.

LANGE: Yes, the military tradition is to follow orders; otherwise you have chaos. You might not like it, but you do your duty. I had some sympathy for the guys in the military. By contrast, the dominant culture on campus at that time made it your obligation to question authority, even undermine it. I believe that only a handful of us in my A100 class had had military experience.

Q. What about the Vietnam training course? Can you explain how it worked at all?

LANGE: Well it was certainly a serious effort to prepare us for Vietnam. There was a tremendous amount of effort and expense that went into this, divided between language studies and what might be termed "pacification" studies, which drew on history and sociology. All of us were destined for CORDS, which I think stood for Civil Operations and Rural Development Support. The student body was mixed, as I've mentioned earlier. Battles were fought out on the bulletin boards at the VTC. Those of us who were new to the Foreign Service had yet to become acculturated to the foreign service. I remember one episode in particular, which grew out of fairly widespread outrage in 1970. Dan Strasser wrote about it in the December 1992 *Foreign Service Journal*.

Q: That was the spring of 1970.

LANGE: That's right – the "incursion" into Cambodia. There was at a certain point a petition, in the form of a letter to Secretary Rogers, which became known and available for signing. Again, this is a measure of my naivete - I was one who signed it thinking that this would really get people's attention within the Administration because we at the VTC were committed to go to Vietnam. And I was thinking it was an internal document, which was foolish in retrospect because petitions are petitions, and this was a highly emotional subject. It was leaked and became public immediately, and it was embarrassing to the State Department, which was struggling as always not to be marginalized by the Nixon/Kissinger White House. There was subsequently a meeting called for the Foreign Service Officers who had signed it. It was chaired by Undersecretary U. Alexis Johnson, and it served to demonstrate the gap that existed between his level and those of us at the junior level. He discussed loyalty and the duty to support presidential policy. We argued that Cambodia was an extraordinary decision, taken in secrecy and against the public will, would widen the war to little purpose, and required an extraordinary response. At one point he chose an unfortunate turn of phrase, referring to the dissent channel as the appropriate channel in which to express differences with policy. If the petition signers had instead put their views into a dissent channel message, he said, "no one would have thought anything about it." His meaning was that we wouldn't have so upset the Administration; i.e. Nixon. But it came across quite differently, as an inadvertent verification that the dissent channel was ineffectual and thus an implicit argument for the petition. Someone blurted out, interrupting Johnson's presentation, "Of course, that's the point!" So he failed utterly to persuade members of the group that they had erred. He quickly adjourned the meeting, I felt more in sadness than in anger. He later wrote of the meeting in his memoirs that it was "not a happy occasion." This petition episode continued to cause anguish, in the Department and in the White House. Nixon from time to time asked for the list of signers, and his staff kept trying to obtain it. He wanted to make the signers pay. Rogers locked the list in his office safe, and it was never "found." AFSA (the American Foreign Service Association) eventually secured assurances that no formal or informal disciplinary action would be taken against the signers. The petition was a product of the passions of the time. But if it wasn't for Johnson and Rogers, I could have had a very short career.

Q: Was there an attempt, did anybody say to you – well, if you feel that way, why don't you get out?

LANGE: No. Johnson's was the only effort to talk to us about it. I know now from his memoirs that he thought that firing us was not advisable in part for political reasons, because it would have intensified the public reaction against the incursion. He knew that releasing our names to the White House would have been the end for us, and that freezing our promotions or keeping us from postings to Southeast Asia, as he promised Nixon he would do, could not be squared with the rules by which we operate. Surely a lot of people are upset by the episode, then and now – believe that it went beyond the bounds of responsible dissent, and that we should have resigned or been cashiered. I don't agree, and apparently Rogers did not agree, perhaps because the letter/petition was addressed to

him. Or perhaps he and Johnson simply believed that firing us would have exacerbated their own problems. The violation of trust, of course, lay in leaking the petition for public consumption, and that probably involved just one or a handful of people. In any case, the name list was never made public, and I was never confronted, either officially or informally by colleagues.

Q: Who was kind of behind this? There must have been some real activists who were pushing this. Do you recall that?

LANGE: No, I don't know how it originated. Johnson wrote that 50 of the 250 signers were Foreign Service Officers, but I've not been able to find out who started it. I never saw the full list, and I know personally of only a few of the signers. At least two of those went on to be ambassadors, and one is currently an ambassador – in Southeast Asia, by the way.

Our discontent about Vietnam policy found other expressions. In 1970, about five of us in training who were really concerned and upset by a number of issues formed a study group. We had meetings with different people to discuss the issues. We tried to reconcile in our own minds what we were doing. Were we making a contribution to a bad cause? Or could we influence positively something we thought was seriously wrong? I recall one meeting with Averil Harriman in his Georgetown home. It was very heady stuff, sitting under his Renoirs and discussing high policy. He said a very nice thing at the end of our session: that we were making a significant contribution to the country by serving in Vietnam. Whatever he felt about the war – and he knew how to keep his own counsel – this assurance did encourage me to think that maybe what I was doing had some value.

Q: It's interesting where you stand versus where you sit. I was Consul General in Saigon the spring of 1970 when the incursion in Cambodia came. And it really wasn't, even among the junior officers who were there, maybe some eyebrows quivered or something like that, but it seemed that maybe it made some sense. We'd seen the results coming. It was a Washington phenomenon - not a Washington phenomenon, you see Kent State and all that - but at least I don't recall any great outcry. Were you having any second thoughts about going?

LANGE: No, I never entertained the thought. After all, I already had serious doubts about our policy when I accepted the conditional appointment. I accepted it knowingly, and I never considered reneging on my commitment. I thought there was room for loyal opposition, for trying to change things from within. We thought it important for Rogers and others to know how Vietnam policy, particularly an apparent decision to widen the war in Cambodia, looked to some of us who were in fact on our way to Southeast Asia. Amidst all of the events that aroused passions during that period, it would be difficult to know if the episode had any useful impact on policy makers – if it was any more than an irritant to them.

Q: How did you find Vietnamese? You'd taken Chinese. Did you find the five-tonal

language a problem?

LANGE: Strangely I found it more difficult than Chinese. Linguistically, there's no particular reason why it should be. I got to a level where I could use it okay, but I never had very good capability, either comprehension or expression. My ability to converse was never really up to snuff. After all it was only a year of training. That's not very much for a hard language. It has not stuck with me nearly as well as Chinese.

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Hue, 1971: A Society in Shock

Q: You served in Vietnam from when to when?

LANGE: From '70 to '72.

Q: What was the situation when you got out there?

LANGE: I went first to Hue. When we arrived in Vietnam, we had some orientation in Saigon. We had a meeting with William Colby, who was in charge of the "pacification" program. We had this notion that during this meeting with Colby, we were entitled to express our assignment preferences within country. He must have been impressed with our *Chutzpah*, but he didn't express any annoyance. He had the weight of a lot of problems on his shoulders, and he would have been entitled to put things in perspective for us. This illustrates that we still didn't quite appreciate the reality of what was happening on the ground in Vietnam. We knew a lot about the Vietnamese culture and language and all that, but the connect between that and what was actually taking place hadn't quite been made. We knew something of the big picture, but we were soon to learn about the little picture.

I was assigned to Hue, which was an interesting place. That was only a couple of years after the Tet Offensive in 1968, which was so devastating in Hue. The mood among the Vietnamese was still very much one of apprehension. Emotionally, they remained hunkered down. The central Vietnamese are a little more reserved anyway. With Tet 68, many had withdrawn into a shell. We had a Vietnamese assistant in the Hue City advisory office who took some pains to limit the number of Vietnamese who knew that he worked for the Americans. He reasoned, correctly, that the fewer who knew, the less likely he was to be denounced as a collaborator and counterrevolutionary if the city again fell under Viet Cong or North Vietnamese control. In 1968, many of such people had been taken to the countryside and executed.

Some members of the advisory team had been captured or killed in 1968. I lived in a house that had been occupied by one who was killed, and there were still a couple of bullet holes inside the house. The maid stayed on at the house, and she erected a small shrine on the north side of the house to propitiate the angry spirits still about.

I didn't spend much time on our military bases. I did see our kids driving through town in their military vehicles. Based on that occasional contact alone, it seemed to me that morale and discipline were very iffy. This was the era of "fragging" incidents, and there were persistent stories about drug use. Incidents in Hue involving U.S. soldiers were rather frequent. During traffic backups at the approaches to bridges over the Perfume River, Vietnamese "cowboys" would steal from Americans in their vehicles; shootings ensued. In the countryside, American soldiers reportedly shot, maliciously and randomly, water buffalo from the roadside, which was of course a terrible thing to do, disastrous to the livelihood of the owner. People-to-people relations were not good.

There was in early 1971 an incursion by regular Army of Vietnam (ARVN) units into Laos, an operation that was named "Lam Son 719." It was an attempt to disrupt North Vietnamese supply lines, but it was a disaster. Armored units rumbled through Hue in the dead of night headed for Laos and limped back not long thereafter. It was meant to be an ARVN operation, but it came to depend heavily on U.S. air support. A lasting image was a photo, carried the U.S. press, of ARVN soldiers desperately clinging to the skids of Huey choppers as they escaped the fighting. So it was a pretty grim atmosphere in many respects.

The security in the province right around Hue wasn't so bad, but the westernmost district was mountainous and provided sanctuary for the Viet Cong. Our advisory team in that western district was quartered in a bunker. From that district, we once a month got exactly three rockets into the city just to remind us that the Viet Cong was out there, and this obviously kept people on edge.

Q: What was your job?

LANGE: There were two of us on the Hue City advisory team, and I was also economic advisor on the province advisory team. In retrospect, much of our activity was meaningless. For example, I did studies on potential for tourism and for handicraft industries using the indigenous bamboo. This was stuff that was interesting to do as an economic development person, but we had no chance of getting it off the ground without conditions of peace and security.

Q: Hue had, of course, suffered badly during the Tet Offensive, when the city was taken over by the Viet Cong. Was it the Viet Cong or the North Vietnamese?

LANGE: It was the North Vietnamese Army that took the city, though VC agents in the city surfaced thereafter and helped to identify targets for purges, and worse.

Q: A lot of people were taken out and killed. Was there a serious gap in the intellectual, administrative structure of people who'd been killed?

LANGE: One figure is a total of 2,800 killed. A first wave of executions, after the NVA

established control, focused on civil servants, teachers and religious leaders. Subsequent purges were aimed at community leaders, intellectuals and those connected with the U.S. You can imagine what this did to the social and political infrastructure. The civilian apparatus was pretty much gutted; it had all been militarized by the time I arrived. All the provinces acquired military governors. We had a good one the year I was there, Colonel Than. But there were stories about his wife, and in fact there were stories about most ARVN military wives at that time, who were making the most of the short time they had to insure the future of their families. I think our province chief was more honest than most; his wife was probably average. The populace was just trying to survive. They didn't have many illusions about their government or political leadership. We would get upset because, for example, in one of the programs to construct community facilities, they had mixed a lot of sand with the cement to make concrete so they could sell the leftover cement. Of course the concrete didn't hold together. So the projects were often falling apart, literally! But the Vietnamese were probably acting quite rationally in those circumstances, where the future was totally uncertain.

Q: I would have thought it would have been sort of difficult to work up enthusiasm for doing the things you were doing, with the situation being such that the future was not really sure. You didn't know where things were going, and the idea of looking at tourism and crafts and all that. I don't want to say rearranging deck chairs on the Titanic, but at least it was certainly an uncertain future. Was that the feeling or did you feel that things were moving ahead?

LANGE: I guess the concept most of us had was that we were acting on a contingency basis; nothing was going to be possible unless there was some certainty about the future, which there was not at that time. The best you could hope for was to identify some opportunities that could be put in place as it became possible to do so. Some of the guys on the team were more cynical than others, but most of us were just trying to do our best to make something work. Certainly the military guys, they were busting their chops trying to train the regional forces. And maybe there was some residual benefit. At least it would be nice to think so. I haven't been back for a visit, but I understand that tourism is flourishing in Hue.

Q: Did you get any feel for how the people in Hue felt about the Thieu government, the government down in Saigon?

LANGE: Well, there was a lot of unhappiness within the Buddhist community. In fact, we tried to maintain contact with the leaders, because they felt that ever since the Diem government of the early '60s, Saigon didn't have their interests at heart. I don't know if there was any feeling about Thieu that was different there than in any other part of the country. I think a deep-seated resignation had set in that no matter who was in the presidency, they wouldn't have much chance to survive. Elections certainly didn't fire people with much enthusiasm for any particular candidate. I think most individuals in Hue were fatalistic. The psychological climate was negative and depressed, and the physical environment reinforced that. One of Diem's villas on the outskirts of Hue had

been destroyed at one point, possibly in '68, and it remained a bombed-out hulk. The former U.S. consulate, closed after it was damaged in Tet '68, was occupied by squatters. People had little faith in Saigon's ability to defend them, as they showed when they jammed the roads to the south during the Easter 1972 NVA offensive.

I have some notes from my first year in Vietnam, in Hue. They pick up in January '71, so it was soon after I arrived, which was approaching the third anniversary of Tet '68. It was very much on people's minds. Several people in the CORDS program there in Hue lost their lives - nine Americans and five Vietnamese. Of course as we now know in retrospect, the Viet Cong kind of shot their load in Tet '68, but that wasn't obvious in 1971, and there was a lot of anxiety. We still had no clear idea of North Vietnamese or Viet Cong intentions. In January 1971, there had been a mining of the railroad – not an uncommon occurrence – in Phu Loc district, which was about a 30 minute drive south of Hue. It killed nine Vietnamese. Two rockets had landed in Hue over the weekend, but they landed harmlessly in the water. South Vietnamese forces responded with three to four hundred rounds of counter battery fire, which of course was symptomatic of the whole Vietnam scene – massive but militarily ineffective response, undertaken largely for psychological reasons.

Some early impressions: A) I sensed Vietnamese hostility in Da Nang when I came through en route to Hue. Lee Graham and I had arrived together (he was on his way to Quang Ngai), and as we walked along the river a few blocks from the "White Elephant" – headquarters of CORDS for MR I – two kids on a motorbike ripped his camera off his shoulder. That was typical of petty crime, but they added insult to injury by taunting us as they rode away. B) The U.S. military was at that time in the process of drawing down. Morale was pretty bad. I didn't have a lot of direct contact with the military, but having been in the military, I could see the signs. The kids showed no pride in appearance and they weren't disciplined. I saw written in the dust on the back of a truck in Da Nang, "Get me out of this hell." C) On the other hand, in Hue, I visited the Tien Mu Pagoda, which is well known, up the river from Hue. It was very peaceful, but with a background of artillery fire in the distance, the overall effect was bizarre. D) There was a wonderful restaurant in Hue, with dining on a veranda over the river. It was a great place to put the ugliness of war out of your mind.

Again, referring to my contemporary notes, we first became aware of Operation Lam Son 719, the incursion into Laos, on January 27th, 1971. We didn't know what was happening at the time, but in the middle of the night the tanks and APCs started rolling through town. We speculated on what it was about, and basically we had it right. It was a last big push to give Vietnamization a better chance. A couple of NSC staff came through at the end of January - Don Webster and Paul Droge. My impression at the time was that they wanted to be hopeful that something could be done about attitudes and about our relationship with the Vietnamese, even at that late date, but that they couldn't shake their skepticism.

In those early days of my Vietnam assignment, I was preoccupied by what seemed to me

the almost universally unpleasant interface between the two cultures - the Americans and the Vietnamese. I was, as were most people who visited Vietnam during that period, particularly dismayed by what the conflict had brought to the country, as evidenced by the prostitutes, hustlers, pimps and thieves. Then there was the despair of our own military, who saw the war in the bitterly memorable phrase as "unwanted and unending, pursued by the unwilling, for the ungrateful". It was a grim picture. I had a talk with a soldier; I don't know if he was special forces or what, but he'd come down from the hills, had been rewarded for a successful ambush by a trip to Australia. What particularly struck me about this fellow was how he'd become desensitized to loss of life and his part in it. Who knows how he later put it together, but at that time he was proud of the technical aspect of how he had carried out his orders, and he described it to me in very clinical detail.

By February in 1971, we still didn't know exactly what was happening in Laos. Then I think there was an official announcement about it on February 9. Part of the operation had to do with Vietnamese troops who had been lifted by U.S. helicopters into Laos, four of which had been shot down. As of the third week in February there was a lot of upbeat talk among our military as to the success of the operation. That it was a disaster was soon to become evident.

In that same month, I went to a local organizational meeting of the Rotary Club. Is this American or what? If we can just help them to establish a Rotary, we'll have the first step down the road toward civil society. This meeting was six months after it had been formed, and there were five Vietnamese and six Americans. The Vietnamese who wanted to carry it forward had been to the United States - not surprising - but there was obvious uneasiness within the Vietnamese group. They talked about having a dinner meeting but noted that security would be a problem. They concluded that they didn't dare get together over dinner. The meeting took place against the backdrop of rumbling and flashes of artillery in the distance.

There was a memorial service near Hue on February 20, 1971, for the victims of the Tet '68 massacre. It was organized by the government; and Pres. Thieu came up from Saigon to deliver remarks. There were several banners. One said, "It is better to die embracing one another than to have a wandering soul." Another: "We are encouraged by the president's decision to enter Laos." The bereaved family members had gathered on one side of the mass grave under a cargo parachute, where microphones amplified their weeping and wailing. Incense burned and food offerings to the deceased included orange soda and French bread. Thieu seemed somewhat awkward; he had senators and generals flanking him, including leading generals of the time - Lieutenant General Quan and Lieutenant General Lam, neither of which made much of an impression on me except for their physical weight – unusual for Vietnamese. The thrust of Thieu's address was that the central provinces would never be bargained away in discussions with the north.

There was an American in Da Nang who was building, as a demonstration to the Vietnamese, a ferro-concrete boat. I visited his project, and he was apparently carrying it forward with some of his own money. This was not common, but it was not unknown in

Vietnam. There were Americans such as this one who were so dedicated and so wrapped up in the whole effort that they essentially turned their lives over to their project. He was at the time wrestling with the question of whether he should present the first boat to the local commanding general, to boost his chances of continuing his project with the goodwill of the military.

In March, 1971, I visited District 2 of Hue, which was one of the poorer districts. It included Hue's boat hamlets - people who lived on boats, were not well educated and really the poorest of the poor. They were believed to be among the first to guide the Viet Cong in their looting during the Tet Offensive. This belief was another manifestation of the distrust and bad feelings existing among the Vietnamese.

I was particularly upset by a story that was making the rounds in advance of a visit by Ambassador-at-Large Kennedy. He was a former secretary of the treasury. I don't recall his mission, but he reportedly had expressed an interest in the mass graves, and the order was passed to locate some human bones and bury them at the site so they could be discovered during the visit. I don't know if the story was true or not, but it was definitely considered plausible at the time.

Corruption seemed to be pretty pervasive. It was said that after Tet '68 victims didn't get government benefits unless they paid kickbacks. Even those who did not need assistance were encouraged to make claims so the officials could skim off the top. A teacher told me that a student could pass the high school exam by paying the grader between 300 and 500 Piastres. None of this particularly surprised me, even though I was still relatively idealistic. An account of how things got done came from a Vietnamese businessman. According to him, woodcutters paid a tax to the Viet Cong in order to get their wood out of the forest. Everyone ended up winners: Woodcutters weren't harassed; local officials got their cut because they issued permits to cut the wood; and the market demand for wood for construction purposes was satisfied.

The psychological effects of the failed operation into Laos started to emerge in April. The son of our assistant in the city advisory office was a helicopter pilot. He couldn't eat or sleep after he came back thinking about the killing he had seen. A barber said that many people died including the brother of a barber who had previously been in the shop. But he said that without U.S. air support it would have been even more of a disaster. Imagine what confidence this showed in Vietnamization of the war. Dan Southerland, an excellent reporter for *Christian Science Monitor*, became very depressed during this period.

For some reason, probably because we were advisors to Hue City, we sometimes mediated incidents involving the U.S. military and the local population. There were frequent traffic backups at the bridges crossing the Perfume River. While sitting on the back of a truck at the so-called Railroad Bridge, which carried north-south through traffic, a GI had his watch taken by a kid, and the GI shot him dead. We were expecting a demonstration. We heard reports about the same time from the district south of Hue that GIs on a U.S. truck had fired M-69s, grenade launchers, at some friendly regional forces,

killing them, just for the hell of it. Newsmen were coming up from Saigon the next day to look into discovery of some new graves, and we thought they were going to be on to this story. I visited the family of the kid involved in the bridge incident, and they were boat people. The entire family lived on two adjoining boats. His survivors - who were his father and mother, two brothers, five sisters, wife and two children - the family was anxious to show that he had a job, and he was not a thief. They wanted to pass on stories that they heard at the scene that he was just driving his bike. According to one version he wasn't even involved in a theft. But unfortunately he didn't have a very savory record. He had previously had his teeth knocked out when he had fallen from a truck while stealing from it. The family showed no overt hostility, and as it turned out, there were no demonstrations. A full cup of human tragedy, but no demonstrations.

There really wasn't any terrorism in Hue City. I think that was the case in all sizeable cities in that period; that is, after Tet 68.

Q: I was 18 months in Saigon, and there was the rocket or two that would fall from time to time, but those were aimed at the city.

LANGE: In Hue, it was peaceful enough that we once arranged to hire a sampan for the evening. We anchored out in the middle of the river and enjoyed a meal with wine. We could imagine how it used to be without people firing back and forth. But the downtown area was bracketed by two major bridges, and it was clear that most boats didn't dare venture beyond those bridges. Because of that it was impossible to get out of earshot of the loudspeaker at the theater, which was always blaring. And there weren't any other boats out in the river.

In April 1971, we had a demonstration in Hue. The Buddhists had called the police chief to task for some of his earlier arrests. Then there were counter charges against the Buddhists, including by a group called the "Corps against Communism" for being soft on communism. They alleged that the province chief was soft on Communism, and they even charged that the chairman of the City Council was a Communist sympathizer with well-known Communist associates. I wondered at the time if we were ever going to fight a common enemy.

On April 17th there was "victory" celebration for the Lam Song 719 operation, but there was precious little to celebrate. Most of the people seemed curious to see gathered officials and military demonstrations. Even at that time, there was deep skepticism that the ARVN had caused any meaningful damage to the supply system of the North Vietnamese, which was the target of the whole operation. That skepticism was well placed.

In June, I again got involved in mediating a dispute. An American vehicle crashed into a house. No one was hurt, but the confrontation went on all afternoon, and there were plenty of weapons around. I had a U.S. military policeman on one side and a Vietnamese policeman on the other. There was impatience and deep distrust, but eventually, both

sides backed off.

The Vietnamese really had a love-hate attitude toward us. I once took a boat out on the river, and I thought I sensed dislike, even hate. Some people repeated an insult that they had obviously learned from the GIs – "F___ you!" Then in the next moment I was exchanging waves and smiles with other people onshore. The inner conflict they felt toward our presence was understandable and troubling.

On one occasion, driving from Hue to Da Nang for the weekend I passed a train that had been blown up the day before. It was loaded mainly with Coke and Pepsi, cases of which were cascading down the embankment. I think that commodities for the GIs were the main cargoes for the railroads at that time. The symbolism could hardly be missed.

We once had dinner with a group of Vietnamese expatriates living in various places abroad, back for a visit. They reported that not even their relatives were urging them to return to Vietnam for good, and they did not intend to. Another vote of no confidence in Vietnamization.

I once had a lengthy conversation with me a Mrs. Tuy, who worked in the personnel office in CORDS,. She tried to explain why she continued to be concerned that there could be a repeat of Tet '68. She had 11 children. They had 18 people at their house, when Tet '68 started, and they lost no one. The family took refuge in three different Catholic churches. Family members encountered the Viet Cong or the NVA twice. Once her son was fingered, possibly for execution, but one of his students, who had surfaced as a VC, spoke up for him and he wasn't taken. Another time her son and son-in-law were pressed into labor, but they escaped during an American attack. They finally got to the university apartments and then to Phu Bai, which was an American base south of Hue, and from there to Da Nang. She was very proud of what she had accomplished with her family, giving them all a good education and getting them all through Tet. But she was still very uneasy about the future.

Q: Rightly so.

LANGE: She thought that another Tet or a political sell-out by Saigon was quite possible.

I took a trip in July 1971 to Quang Dien, which is a very poor district along Highway 1 north of Hue. It's located along a lagoon leading to the Street without Joy, made famous by Bernard Fall's eponymous book. The land is very poor - poorly drained and sandy. Still there are a lot of people trying to make a living. They had once accumulated enough to build concrete houses with tile roofs but those had at one point been so damaged that they were no longer useable. People were living in shacks with tin roofs. Their lives had really not changed very much for generations, except for the added burden since the 1950s of the uncertainty of war.

There was another a district, Vinh Loc, along the coast southeast of Hue. Since '68 we

had characterized it as a pacified area. But in a three-day period in 1971, there had been five assassinations with no retaliation and no one coming forward to say who had done it.

In August there were anti-U.S. demonstrations by students in Hue. The immediate cause was a traffic fatality in front of the University of Hue student union in the afternoon. A student on a Honda had fallen under the wheels of a U.S. tanker truck. It happened that there were activists from Saigon present, so the reaction was almost immediate. Banners were out within a few minutes. A vehicle belonging to RMK (Morrison Knudson) -

Q: It was a major construction firm, Pacific Architects and Engineers.

LANGE: Well, PA&E, Pacific Architects and Engineers, was another company. RMK-BRJ was a consortium of four large international construction firms: R for Raymond International, MK for Morrison-Knudson, BR for Brown and Root, and J for J.A. Jones Co. Anyway, a vehicle belonging to this contractor was burned, and the Vietnamese driver was beaten. There were some other attempts at firebombing. The authorities dispatched some PFF – Popular Forces, sort of paramilitaries – to keep the peace.

Q: Popular Forces? Regional Popular Forces?

LANGE: As I recall, the military hierarchy started at the top with Army of Vietnam main force units (ARVN), under Saigon's command; then Regional Forces, under the province chief; and at the bottom in terms of training and equipment, the Popular Forces under local commanders. Anyway, some Popular Forces were posted at the compound because there were numerous rumors of the imminent arrival of rioters. Tension was pretty high at the compound, but nothing happened. A colleague and I had scheduled a lecture presentation at Hue University - I don't remember what that was on - but that was obviously canceled. One reason that the demonstrations died out was that most of the students were away at military training.

In September there was another incident at the end of the bridge where a GI had shot and killed a thief. The students were better prepared this time, and we were told they had been waiting for such a cause. Students who had been at military training had been released the day before. Firebombing was attempted on three vehicles, including two military police vehicles and one belonging to a contractor. One truck was burned.

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Saigon, 1972: War-weary, Preparing for Cease Fire

Q: Did you change jobs while you were there?

LANGE: Yes; I was in Hue for a year - 1971 - and then I went to Saigon in the embassy political section.

Q: You were in the political section in '72 then?

LANGE: Yes, that's right.

Q: Who was the ambassador at that time?

LANGE: Ellsworth Bunker.

Q: What were you doing in the political section?

LANGE: I was in the internal unit. There were six or seven of us, compared to three or so in the external unit. My specific areas were the lower house of the legislature and the Sino-Vietnamese community. I also covered Military Region Two (MRII), which was the central coast and Highlands.

Q: What was the situation in Military Region Two? Was that Da Nang?

LANGE: No, it didn't extend that far north. Da Nang was in MRI. MR II was pretty quiet in terms of terrorist or guerrilla activity. But the Easter offensive of 1972 really shook confidence. Bunker's wife, Carol Laise, was ambassador to Nepal, and Bunker from time to time flew up there on a U.S. military plane. There was a sign-up list in the embassy, and I got on the flight, in April I think. We were there for about 24 hours and had to turn around and come back when we got word of the NVA offensive. The offensive was beaten back, but it seriously shook confidence, especially in the Highlands and in MR I. A couple of times during the year, 1972, I visited MR II. It was a familiar picture: The countryside was pacified in the daytime, but after dark, only the cities were relatively safe.

I have some contemporary notes, yellowed with age, made after the 1972 North Vietnam offensive -- the Easter Offensive. You recall that the Senate Foreign Relations Committee was more influential in those days than it is today. A couple of staffers - Lowenstein and Moose - they used to travel there with some frequency, and their reports were always anticipated either with foreboding by the people who were in the Administration or eagerly by those who were critical of the war. I traveled with them to Hue, Qui Nhon and Pleiku. This was in May of 1972, so it was not long after the Easter Offensive. In Hue, which was our first stop, it was quite clear - this is May 26th - it was quite clear that in the early days when the offensive took place that there was a real panic, and most civil servants or professionals abandoned the city. Even the CORDS employees had decamped and stolen three cars from the CORDS compound. There was only one way out, which was the highway south to Da Nang. The general picture was that there was a lack of control, a lack of leadership, with one bright spot. For reasons I can't identify, the national police, who were much criticized – denigrated as the "white mice", after their uniforms – had stayed at their posts and done their job. But overall it was a thoroughly dispiriting demonstration of Vietnamization. The picture was that the Americans, while they were there, managed to pull services together and get the military and the civilians

working together, but this had fallen apart during the Easter Offensive. When we arrived, maybe 75% or so of the civil servants had returned. About a quarter of the population as a whole had returned by that time. The hospital was staffed again, but all the big retail stores were closed. A few small shops were open. The big central market near the river had been looted and burned. It was a huge conflagration, and the ruins gave the whole city a shocking aspect. It was obvious that Hue had gone through another terrible time. The only signs of new activity were some decorations and preparations for the celebration of Buddha's birthday, which fell toward the end of May.

There were numerous refugees who had come in from the northern districts; the estimate of the officials in Hue was 19,000, which was up 5,000 from the weeks previously. More were coming in, because they just didn't have confidence that security was going to hold. In fact, the North Vietnamese at that time still occupied the northern part of Huong Dien, which is one of the northern districts. In Phu Loc District, which is between Hue and Da Nang, the railroad had not been operating since early April; the bridges were out. As for the territorial forces, their performance had been mixed, depending on their leadership. No one was making any predictions as to what the North Vietnamese were going to do at that time, but there was at least some confidence in the defense of Hue by the territorials. The general scene in the city was pretty depressing. Children wandering. The cowboys were everywhere - young kids on their motorbikes looking for prey.

Q: Snatching purses and that sort of thing.

LANGE: Right. There were very few old people, children or girls. At the university, there were still some radical slogans and posters in evidence from earlier days. Some of the bunkers and guard points had been rebuilt. Trucks and APCs were everywhere. At the city market, the center part was still a ruin; there were some small stalls that had been rebuilt around the perimeter. These were fairly busy in the morning. There was a small black market in foods. There were wreaths and flowers on sale.

The people we talked to - both civilian and military officials - their families were all out of the city, in either in Da Nang or Saigon. A Vietnamese major said that overall in the city maybe 30 to 40 percent of the people had returned. He thought maybe people would start coming back after Nixon's summit in Moscow. He thought that once it was clear from the Moscow meeting that there was no "sell-out," which was always what people in the central region were afraid of, that people would start coming back. A civilian said that some families would never come back. His family was in Da Nang and had taken most of their furniture. Everybody was ashamed of the market fire. The offensive was one thing, but the destruction of the market was something that had been carried out by Hue people. Most of the intellectuals - the teachers and the businessmen - had gone, but the Chinese (i.e., Vietnamese-Chinese) had stayed. One person said of the Chinese, "They have nothing to fear from the Communists."

Q: Had the Easter Offensive stopped by the time you were making this [trip]?

LANGE: The offensive had stopped, but some areas were still occupied by North Vietnamese at that time, some distance from Hue. Quang Tri, South Vietnam's northernmost major city and some 35 miles from Hue, I think was back in the hands of the South Vietnamese. But it had been a terrible scene up there in Quang Tri. Air power had played had played a large role in turning back the offensive, but there were the usual mistakes. One of them involved B52s; they had made a mistaken raid on a fire base that was occupied by friendlies. Such events of course added to the general sense of malaise and depression.

Q: What were you getting from Lowenstein and Moose? Was this what they were expecting to see? Was this confirming it?

LANGE: I think they were not surprised. One of our stops was Pleiku. John Paul Vann was still there, and he prefaced his briefing with the remark, "You're not going to like what you hear." In other words, he was previewing a very upbeat picture of the military situation. This sort of confrontational meeting between the American establishment and Lowenstein/Moose was well-established by that time. I don't know how many visits they had made.

Q: A good number. Jim Lowenstein has been interviewed and Dick Moose - I've finished sort of Vietnam and he goes on forever. So I'm still working on it with Dick.

LANGE: I didn't keep a copy of the report from that visit.

Q: They'd be in the records.

LANGE: In Qui Nhon, briefers were Tom Barnes. Lieutenant Colonel Brown, Colonel Grist, Dan Leaty and Cliff Stanley. Did you ever interview Tom Barnes?

Q: I have to check. Where is he now?

LANGE: I don't know. One of the principal topics at this meeting was the performance of the Koreans. I don't remember their areas of operation in Military Region 2.

Q: Well, they had a district below Da Nang, around Quinhon or something was it. There was a certain concern that they were under strict instructions, "Don't take casualties." However if they took any, they were quite brutal in responding. I think everybody steered clear of them.

LANGE: They were feared by the South Vietnamese certainly. I remember I took one of my leaves and visited a friend in Korea. I talked to some Vietnamese about my plans to go to Korea, and they were just dumbfounded. They were amazed, shocked that I would voluntarily visit a country where everyone was Korean. They thought that the Koreans were really quite brutal. A question from Moose and Lowenstein was, "Are the Koreans worth $350 million a year?" I don't know where that figure came from. The response

amounted to "Probably not, but what's the measure of value over here?" Which of course was a key question - how could you put a number on it? Colonel Grist said the Koreans took high casualties to retake An Khe - 116 killed and 400 wounded. He also thought their presence was psychologically important. He agreed that they were "mercenaries," but he went into the difference between them and classical mercenaries. Cliff Stanley, one of the briefers, was obviously dispirited, and at one point lamented, "No one has accomplished a goddamned thing here."

Q: He must have been civilian.

LANGE: Yes. We went from there to Pleiku. The conflict was still alive in the highlands.

Q: Pleiku being the major city in the highlands, in Military Region Two.

LANGE: That's right, and command post for John Vann. He opened with this quote I mentioned earlier, "You're not going to like what I'm going to say." He said Kontum could go either way; that it was still in contention. But he said the North Vietnamese didn't press their advantage after Dakto and that error has been hurting them a great deal. Vann said the ARVN 23rd Division, which had always been a question mark in the highlands, was getting better daily. They were now knocking out tanks on their own, and he thought that the North Vietnamese tank resources were just about cleaned out. He thought that it was quite possible that within six months there would no longer be an enemy threat in the highlands, though continuation of an advisory role was necessary for air support. Even if Kontum falls, he said, Pleiku was still defensible. He said that the other side had underestimated the U.S. response. Vann addressed the Korean role: They could not be brought up into the highlands, because of an agreement. If they were to be brought up, the agreement would have to be renegotiated and it would carry a healthy price tag. In any case, Vann said, we labored under a general misconception that the Koreans could get along better with the Vietnamese than we could.

Q: You were accompanying Lowenstein and Moose?

LANGE: Yes, I was part of the Embassy political section, with reporting responsibility for Military Region Two.

Q: Both Moose and Lowenstein were at this point working for the Senate mainly for Senator Fulbright, but they were both former foreign service officers and later came back into the state department. So they're these inner/outer people. How did this go? Did they tell you what they were trying to see? Or were you trying to control them? Or were they on their own and you were just around? How did that work out?

LANGE: They were veterans; they had clearly in mind who they wanted to see and what they wanted to do. They had no problem with access. As for the embassy and the political section, our posture was to help them as much as we could - to facilitate the visits and help them see as much as they could. The military was very apprehensive about their

visits because generally their reports were downbeat. Military reports are upbeat. At that time, the attitudes had been established on both sides. Their agenda was pretty clearly in the direction of deflating false optimism. They were as much insiders as I was, and my role was to facilitate their inquiries where possible and to debrief people in the mission on their findings.

A couple of additional notes on my experiences in MRII. I visited Nha Trang one time and called on Tom Barnes, who was the regional deputy for CORDS. I was planning a drive from Nha Trang to Tuy Hoa, which is 70 miles up the coast. In retrospect, it was a foolish thing to do on my own. I later heard that on the same road a few months earlier, someone had taken a small arms round through the top of the car. But Tom interposed no objection, and in fact pulled out a report that he had made years previously when he was posted in Vietnam, written after a drive on the same road. Some people carried their reporting around with them wherever they went.

I spent the night in Tuy Hoa, where a revealing episode took place. You may recall the monthly HES report – the Hamlet Evaluation System – an elaborate attempt in which we invested terrific efforts to quantify the various elements of security in the countryside. Very McNamarian. Some on the Tuy Hoa advisory team, including FSO John Finney, had arranged to spend that night in a hamlet, as I recall as sort of a demonstration that it really was safe and deserving of a higher HES rating. Bad decision. Shortly after dark, we received a tense report over the radio that they were taking fire, then... silence. We didn't know what had happened until daylight, when the guys reported that they had spent the night in a ditch, maintaining radio silence to avoid detection. So much for *that* secure hamlet.

In daylight, I visited the remains of a tower on the edge of the city left by the Cham civilization. Similar remnants of the Kingdom of Champa are sprinkled along the central coast of Vietnam, and then there is the excellent collection of Cham sculpture in Da Nang, which was started during the French period. While I was there, it was stored on the south edge of Da Nang, on the road to the airport, under sort of minimum, barbed-wire security. But it survived the war, and I understand is now situated in a handsome museum.

Sometime in 1972, another embassy officer, Jim Nach, and I paid a visit to Tay Ninh City, capital of Tay Ninh Province, on the occasion of a funeral for a prominent Cao Dai elder who had been assassinated, presumably by the Viet Cong. The Cao Dai religious sect was the anchor for a strong social structure, and the Cao Dai was renowned for its resistance to inroads by the Viet Cong. The city is about 75 miles west northwest of Saigon, and about 12 miles from the Cambodian border. We drove out in Jim's Honda, the first car that Honda made. It was a fairly flimsy affair and was powered by a motorcycle engine. I bought one myself – paid about $800 new as I recall – but only had it for a couple of weeks before it was stolen, from in front of the embassy. Anyway, the drive seemed safe enough, though we did see a Vietnamese Air Force plane making a bombing run a mile or so off the highway. In Tay Ninh, the funeral proceedings involved

thousands, and it seemed a prime target for terrorist activity. None took place, however, and as far as we could judge from talking with people, the Cao Dai's anti-communist resolve had not been shaken.

Q: What about the other area of your responsibility, the lower house? Was there much political activity there? Was it significant?

LANGE: Well there was a lot of talk. It was a very active legislature in terms of discussing issues, but one couldn't expect that it would have much influence on the course of events.

Q: Did you get a different feeling toward the central government, the Thieu government when you were down there?

LANGE: Different than when I was in Hue? I don't think so.

Q: How about at the embassy at the time? What was the spirit of the political section as far as how they viewed what was happening?

LANGE: One of the features of life in that office was the relationship with the huge U.S. military presence. There was a degree of conflict between the embassy and the military structure when it came to reporting on the internal situation. This had a history: It went back to existence in the embassy of a "provincial reporting unit", which challenged a lot of the rosy progress reports coming out of the military. That unit had been disbanded and replaced by the internal unit, which had less resources to devote to provincial reporting. There was a formal clearance process for our reports with MACV (Military Assistance Command, Vietnam), and Joe Bennett, who was the political counselor, had to fight those battles. We thought that Bennett was excessively optimistic about prospects and tended to curb "negativism" in our reports. After one of my trips to the central region, I wrote a report and Bennett edited it. It came back from MACV eviscerated – lots of strikethroughs and additions. Even Bennett was outraged. It was in our view a denial of reality by MACV. It was unfortunate that even at that point, there was failure to face up to reality, to live in denial.

Q: You say the military seemed to be in denial?

LANGE: Well, that was our view anyway. They wanted to believe that things were a lot better than they were. The military's "can do" attitude can be a wonderfully empowering approach, but things go haywire when it substitutes for objective appraisal.

Q: You were part of it at one point. There is a military culture. If you're told to do something, you say "Yes I can sir," then you do everything you can to make it come true even there's a damned good chance it won't work.

LANGE: I think the military was struggling internally with the problem. We had a visit

by a ranking general when I was in Hue by the name of Weigand.

Q: Weigand. He was chief of staff at one point, but he was very much involved.

LANGE: Anyway he got a briefing from our provincial advisory team. On the military side, there was a lieutenant colonel out of armor, in charge of military training for the team, who briefed on the South Vietnamese regional forces. At one point Weigand asked a very pointed question about how a particular pacification goal could be attained, given the bleak objective picture of constraints and problems. The poor light colonel didn't expect that sort of question from one of his own people, much less a ranking general. After an awkward silence, he said, with all the determination he could muster, "Sir, we regard that as a challenge." And as you say it reflects this notion that you do it – failure is not an option and it doesn't matter what it takes to accomplish the mission. Declaring the mission objective as unrealistic is also not an option.

Q: How about the CIA at that time? Was there much talking back and forth? They had one floor of the embassy.

LANGE: I had no contact with them. I can't shed any light on that.

Q: Were the peace talks going on while you were still there?

LANGE: Yes. The agreement was signed about a month after I left, in December 1972.

Q: What was the feeling towards what was coming out of this, for you and your colleagues?

LANGE: I think most of us saw it as trying to make the best of a bad situation. It was clear that the U.S. citizenry would not support what was necessary for a military solution. The notion that Vietnam would hold together, would be able to defend itself was very doubtful but nevertheless there was no choice. I don't know if there was any credible intelligence at that time with respect to the intentions of the North. But I think there was little illusion that if the North launched a military offensive the South would hold. The American military was demoralized and wanted to get out of this limited war that was draining its confidence. As a nation, we wanted to get out "with honor." Kissinger was doing what he could to deliver that.

In December, shortly before I left Vietnam, Ambassador Bunker had me in for a farewell meeting. He had just finished a long dictation session with his secretary, Eva Kim, and as we spoke, rockets were slamming into the airport at Tan Son Nhut. Bunker was involved in the final stages of the cease-fire negotiations, and he was both tired of the war and frustrated with the difficulties of trying to bring it to a close. According to my contemporaneous notes, he said that President Thieu was being "too rigid". He thought that Thieu had violated the negotiating principle of never establishing a public position from which you cannot retreat. Bunker said that, "This war has gone on long enough, and

it's time it should be stopped". The ARVN would have lost 50,000 soldiers by the end of this most costly year of the war, he said, with three times that many wounded. There were 130,000 killed on the North Vietnamese side. Bunker said that the South Vietnamese naturally have some objections to the cease-fire, but he thought that they are in very much better shape than before, such as when Bunker arrived six years previously. He said that the Vietnamese had to surmount their internal differences, and he recalled, "That old poop, Senator Hien, once concluded a discussion with the comment that 'that's the way we are!' Well, that's tough, they've got to put these differences behind them."

Ambassador Bunker seemed tired of dealing with Thieu. "I once told Thieu that this question of corruption would one day destroy him, just as it has Chiang Kai-shek." I asked if Thieu recognized the importance of the problem. "He appreciates it intellectually, but the execution is something else." He cited the case of Hoang Duc Ninh, who as Bac Lieu province chief was documented by Colby for 69 clear cases of corruption. He was removed, but five months later, Hoang was the commander of the 44th Special Zone, which was a mecca for smuggling from Cambodia. Bunker contrasted this with the case of Truong (FNU), who if he died tomorrow, the government would have to pay for his burial. His troops know this, and that is why he is such a good commander, said Bunker.

In those December days of 1972, we leaned on South Vietnamese deputies and senators to lend their weight to signing a cease-fire. Our message was not subtle: If South Vietnam fails to sign and is seen as obstructing peace, they Congress would be unable to sustain a robust level of support for South Vietnam. It had to be a bitter pill for the South Vietnamese to swallow, but it was clear that we were determined to withdraw.

Q: Had you met your wife while you were in Vietnam?

LANGE: I met her when she was working at our consulate general in Da Nang. We can't agree on the date, but I think it was at the 4th of July reception at the consulate in 1971. In any case we met during my year in Hue. After I left Vietnam, we maintained contact over the years. She came to the U.S. in '73, but we didn't marry until '79, seven years after I had left Vietnam. We have a son, who is pursuing a career in the arts.

Q: Was Terry McNamara the consul in Da Nang when you were there?

LANGE: He was the consul general when I arrived, and Fred Brown was the consul general after that.

Q: I may have met your wife because when I was consul general, I was supervising consul general for all of Vietnam, but mostly my sway was very tepid. Terry was technically put under me - I wrote his efficiency report - but there was no real control of him.

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Washington – Economics Training, 1972

Q: So you left there in 1972. Where did you go in 1972?

LANGE: I came back by way of Nepal. I finished the trip that I had to cut short because of the NVA 1972 Easter offensive. I then started the six-month economic course at FSI.

Q: You came back right to economic training? Have we talked about Francis Wilson? Was Francis Wilson still acting - I think she was executive director or something of the economic bureau and all. Was she someone you ran across a lot?

LANGE: No, not at all. I had little to do with the Economic Bureau until 20 years later.

Q: How did you get into economic training? Was it something you'd been asking for?

LANGE: I studied economic history in graduate school. My masters thesis was on the perfectly obscure subject of "Tax Policy and Industrial Development in the Republic of China: 1928-1937," something almost guaranteed not to have a readership. Anyway, I had done work in economics, but I didn't have a proper economic degree, and I didn't have systematic training in economics. So it was a natural move.

Q: How did you find the course?

LANGE: I thought it was quite good actually. I did not cover myself with academic glory. Other things were happening in my life at the time. Then there was the distraction in spring 1973 of the Watergate hearings.

Q: Particularly coming out of Vietnam, I imagine you needed a certain amount of decompression to sort of set up ties or dissolve ties. It would not be an ideal assignment.

LANGE: I remember the course as particularly interesting because it was a period of self-examination in the academic profession. Economists were extremely humbled by their inability to explain what was going on in the economy at that time. You may recall we had high inflation and relatively high unemployment at the same time, which is not supposed to happen. Any time you see academics humbled, it's rather satisfying. Warrick Elrod ran the course, but the staff member we saw most often was John Sprott, who then continued as course director for several years. Then he took one or more diplomatic assignments.

Q: Yes, I've interviewed John. Jacques Rheinstein, I think, started the thing.

LANGE: At the end of the course I was a little disappointed because I didn't get a China assignment, which I was looking for. Another fellow in the course, Phil Lincoln, got the job. He was a better economics student than I was, and he went on to have a fine career. He went to Guangzhou as consul general in the mid-1990s. Around 1996, he died in a

road accident during a trip to one of the provinces in China. I joined others pressing to have his name added to the commemorative plaque in the State Department lobby. Phil's name was added a few years later.

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Washington – Australia, New Zealand and Pacific Island Affairs, 1973-75

After the economics course I took a desk job in the department in the Office of Pacific Islands, New Zealand and Australian Affairs.

Q: You were there from when? "72 or '73?

LANGE: From 1973 to 1975.

Q: What particular slice of the cake did you have of island affairs, Australia, New Zealand?

LANGE: I was doing economics for Australia, and I was desk officer for New Zealand and for the Pacific Island states. I was action officer for something called the South Pacific Commission, which was a great experience. I was the expert because no one else cared very much.

Q: What was the South Pacific Commission?

LANGE: The South Pacific Commission had been created in probably the early post-WWII period when almost all of the region consisted of colonies, but it was in transition certainly by the '70s. Many states had already become independent, and more were on their way to independence. While I was there Papua New Guinea became independent. There was another fellow in the office, John Dorrance, who was devoted to the Micronesia status negotiations. So I didn't really get involved in that. But the Commission was a small effort at development of the South Pacific nations and dependencies. The development aspect interested me, and it got me out to the area a couple of times.

Q: What was there to work with? I've been to the Federated States of Micronesia. Outside of putting our money into pick-up trucks and beer, there doesn't seem to be anything to work with.

LANGE: That's true; there is little on which to build a successful economy. To grossly oversimplify, there are three models. What you saw in Micronesia and what I saw in Guam, when I went to my first South Pacific Commission meeting, is one model. That involves massive injection of funds from the metropolitan powers - in those cases, the United States. Guam was a strange mixture. The economy was supported by U.S. military spending and Japanese tourists. At that time it was a favorite destination for Japanese

honeymoon trips because it was fairly near to Japan and it could be done on a shoestring budget. But it was a dispiriting place in terms of the indigenous culture.

So what happened in many other places in the South Pacific – a second model – was the export of native inhabitants to whatever country it was most closely associated with. In the case of the Cook Islands, which was the location of the second South Pacific Commission meeting I attended, it was New Zealand. There were more Cook Islanders living in New Zealand than in the Cook Islands, even though to an outside observer, the Cook Islands was a Polynesian paradise. It was really beautiful and they had made a creditable effort at preserving Polynesian culture and art. But to Polynesians, it was boring and didn't represent much in terms of a future. Development was quite difficult. Even to develop fisheries seems a natural, but you had competition from highly developed fishing fleets from Taiwan or other countries. So the most promising people emigrated. In Tonga, where I visited, which is one of the larger countries and which has been independent throughout and has a very strong culture, nevertheless the common aspiration was to get out and leave. Either to Australia or New Zealand or to some other developed country. Many Samoans have come to the U.S., most of them from American Samoa.

Q: The Japanese came in and took over the Micronesian fishing.

LANGE: Yes, small-scale artisan fishing is no competition for fleets of trawlers and factory ships. You don't have economies of scale for almost anything. Handicrafts could only go so far. So it was quite difficult. The higher standards of living in the region were in New Caledonia, where the economy was based on nickel mining, and in the tiny country of Nauru, which presented the very odd circumstance where they were mining the island and it was literally disappearing. They exported guano, i.e., accumulated bird droppings, to the rest of the world for fertilizer. So apart from those examples of extractive industry, it was tough. Papua New Guinea was certainly large enough and had enough resources to be viable, but it had other problems of governance because it lacked infrastructure, education levels were low, and there was little in the way of a national identity.

A third model of development emerged somewhat later in the Northern Marianas, then a part of the Trust Territory of the Pacific Islands, now in a commonwealth relationship with the U.S. When I visited in the mid-1970s, there was little going on economically. Now, there is a degree of prosperity, but it is based on casino gambling and a garment industry based on foreign contract workers and "made in the U.S." labels. There have reportedly been social costs – exploitation of the garment workers, many of whom are imported from low-wage countries like China, and all of the ills that accompany casino culture.

Q: Was this a joint effort by, on this commission, of the Americans, the French, the New Zealanders, the Australians?

LANGE: It was established by the colonial, or in our case, recent colonial powers. The principal contributors were the U.S., Britain, France, Australia and New Zealand. Almost all of the territories and countries in the region participated. I can't think of any exceptions, although there were a few, such as Tokelau or the Pitcairn Islands, that couldn't even afford a ticket for someone to attend the annual conference. The Commission, like most multinational institutions, had its own internal problems. It was an education for me because I also learned about Washington bureaucracy. I spent a lot more of my time concerned about managing our delegation to the commission and our policy positions (e.g., French nuclear testing) than about the development problems that faced the South Pacific Commission.

Q: Was this just a political plum that was handed out or was there a rationale behind those who were appointed as U.S. representatives?

LANGE: It was a mixture. The commissioners when I first arrived, during the second Nixon Administration, had Republican Party connections, presumably as donors. Two were from Hawaii, and they had ties to the South Pacific. The senior commissioner was a retired Air Force colonel and an arms salesman for McDonnell Douglas. One of my accomplishments was to help engineer his replacement by one of the senior people at the Department of the Interior who was responsible for Guam - Stanley Carpenter, who was on detail from the State Department. He served for a couple of years as senior commissioner for the U.S. We argued for appointing someone who had a professional and policy connection to the South Pacific. We also secured appointment of a commissioner who was the director of the Bishop Museum in Honolulu, an academic who had done work on Polynesia. As you can imagine, selling to the White House the idea of giving up a couple of patronage appointments was not very easy. In the end, in retrospect, I don't think these appointments made a whole lot of difference in terms of making the Commission more effective.

Q: There really wasn't much to work with?

LANGE: There wasn't a big budget for the commission to begin with, and a lot of it was chewed up in a permanent secretariat operation located in New Caledonia, which is about the highest cost of living place in the South Pacific. So the French picked up a big part of the tab just to keep the secretariat there. But it was kind of a sleepy, not terribly effective organization.

Q: My experience was the fishing was taken care of by the Japanese; they ate canned tuna more or less. Outside of government structure, which we were supporting, there was damned little. With the best will in the world, in a way we basically destroyed the island culture. But with pickups and drinking beer and a few paved roads around, a lot of those islands don't have the infrastructure to support a real tourism industry. It's very expensive to go out there. A plane trip on Continental is very expensive. It's hard to figure out what you can do.

LANGE: The commission was doing some development and some basic maintenance like health care. What to do about alcoholism was something that the authorities on most of the islands had to worry about, and it was especially evident in what was then the Trust Territories; i.e., Micronesia. I saw public intoxication, for example, at midday on Truk, and I understood that it was not unusual. It is a complex issue, no doubt tied to the fate of traditional culture under attack by Euro-Americanization. Parallels with the plight of Native Americans are impossible to avoid.

Q: How did the French play in this because in so many cases the French either run it all themselves or they play dog in the manger? Were they pretty active participants in this group?

LANGE: They were active, but they were also always on the defensive because they were conducting their nuclear tests, which was such a highly emotional topic. And even though the commission nominally didn't have very much business discussing the nuclear tests, it always came up, and it always overshadowed the session. There was a senior French foreign ministry guy – or maybe he was from their colonial office, I'm not sure – that had been coming to the meetings for years. Everybody knew him. A lot of the islanders disliked him, because not only was his job to defend what the French were doing, but he was rather glum and officious, qualities that did not travel well in the Pacific islands. The French put a lot of money into the commission and into their colonies – French Polynesia and New Caledonia - and they couldn't be ignored. They were the remaining colonial power in the area. The British had gradually divested themselves of empire in the Pacific. The Australians never really were colonials, apart from a strange arrangement in the New Hebrides, which was a condominium shared by Australia and France at that time. This is now the independent country of Vanuatu. Our interests were centered in the northern part of the region – Micronesia and Guam to the west, the colony graduated to statehood of Hawaii to the east. The French, though, were the most focused and organized of the so-called "metropolitan" powers.

Q: Moving on to New Zealand, did you get involved in nuclear ship ban and all of that sort of thing?

LANGE: Not much. There was another fellow on the desk who was doing political military affairs. He was much more engaged in that. But of course the whole EAP Bureau was in a sense mobilized by that issue.

Q: Basically it meant that New Zealand was almost frozen out.

LANGE: It became a clear choice, or at least it was so framed by Bill Brown, the EAP DAS with responsibility for New Zealand. He said it was a clear choice that the New Zealanders had made and we had to make. Were they an ally or weren't they? If they were, it meant that they had to agree to our ground rules. But the political situation in New Zealand was pretty clear. The populace wasn't really comfortable accommodating our nuclear-armed ships, and the political leadership would accept only a clear

declaration. We could not give that without compromising our long-standing policy of "neither confirm nor deny." It was an issue I was to revisit nearly 20 years later when I was in Malta.

Q: As an economic officer - I imagine we trade beef, butter, lamb, maybe wool - those things must have ranked very high in a way on our major items in our relations with these countries. So you must have gotten into those.

LANGE: Trade in dairy products was an issue with New Zealand especially. Trade in meat products was a problem with both Australia and New Zealand. The sugar quota was a big deal with Fiji. That was an annual exercise to settle on the import quota and how much various countries got, in order to prop up the price of sugar. That occupied a lot of time and effort and representation and briefing papers and so forth as the Fijians made their case for more sugar and as the New Zealanders made their case for doing away with quotas on dairy products. These issues are still with us.

Q: With New Zealand for example, I wouldn't think that we would have been receptive to almost anything outside of not trying to be nice to New Zealand.

LANGE: The New Zealanders made the reasonable case that theirs was the only country in the world that did not subsidize dairy products. They weren't very happy that we on the one hand professed belief in fair trade and on the other protected our dairy interests with import quotas. We did our best to square the circle.

Q: Well, with the sugar business, you're up against a very strong political lobby, particularly in Louisiana and California. How did you deal with that?

LANGE: Florida, too. As you might imagine, Fiji didn't swing a lot of political weight. But there was a certain sympathy factor operating for the Fijians. That was fortunate, because they were not aggressive, had little leverage, and had no high-priced lobbyists. The best you could do was to try and provide for a certain growth rate of imports from Fiji, depending on the nature of our market and our domestic crop. So that's what we had to work within, a very narrow range. The Fijians received a tiny portion, as I recall less than five percent, of the total import quota. They didn't expect a lot, and it was damned important to Fiji.

Q: This is the U.S. as a market for sugar. Can't you sell sugar somewhere else?

LANGE: Sure. I daresay we weren't the biggest market for Fiji. I don't remember the details of their market picture. They once had a lot of competition from Australia because the Australians grew sugar in Queensland, though not any more. Europe was a principal market for Fijian sugar, and they would have some sort of Commonwealth preferences with the UK.

Sugar trade brought profound changes to Fiji. In the late 19th and early 20th centuries, the

British brought in about 60,000 laborers from India to work the sugar plantations. The Indians are more prolific than the native Fijians, and today native Fijians are a minority, but certain rights, including property rights, are limited for Indians. On one occasion, Supreme Court Justice William Douglas invited the desk officer for Fiji, that would be me, to lunch. I quizzed his secretary to learn what he wanted to discuss, but unsuccessfully. Try as I might, I couldn't learn what prompted this invitation from the blue. As it turned out, Douglas had visited Fiji some years previously, and he was interested to know how their efforts to deal with this Fijian/Indian balance in their constitution had evolved. It was one of those slap-the-forehead moments: Of course, isn't that just the thing a justice would be interested in! I sincerely wished that I could have enlightened him, but Fiji constitutional history was one subject that I had not studied up on. Douglas didn't seem especially disappointed and we discussed other developments in Fiji. I was pleased to lunch at the exclusive Cosmopolitan Club for the first and only time, but I'm afraid that I didn't earn my meal.

Q: I would imagine that Australia is and was and will be a very important country from our point of view. The economics must have caused a great deal of effort.

LANGE: Trade in both dairy and meat products were issues. They did not export sugar. We, at the time I was on the desk, expended a lot of effort trying to expand our export markets in Australia because they were growing economically. We had a fair amount of direct investments in Australia. At the time I came on the desk, Marshall Green was the ambassador. I don't know if he was the first career ambassador we ever had there, but he was certainly the first we'd had in many years. Green had a sense of humor, and he often quipped that previous American ambassadors had tended to think of Australia as the next large cattle ranch west of Texas. We had a tradition of sending ambassadors there who had earned a political reward. So he was a different kind of animal, and I think by and large Australians appreciated that.

Q: Did you get involved at all in the base problems up in the north of Australia or was that a political military issue?

LANGE: That was a PM issue and was handled by Mike Michaud. I was not much involved.

One of my more interesting experiences on the desk was accompanying Ronald Reagan, who was then governor of California, to that part of the world in December 1973. The genesis of the trip was a standing invitation from the Red Cross of the Australian State of Victoria, to help them kick off their annual fundraising drive. He accepted the invitation and then let the White House know that he was traveling in that region – was there anything that he could do for the White House? And sure enough there was. He was designated as a "special representative of the president to promote exports." The trip went to Melbourne, which is the capital of Victoria, and to Sydney and then to Singapore and finally to Jakarta.

As is typically the case, the department was throwing together briefing material at the last minute and decided that it would look better to send an escort. I was available. There were two of us actually; one fellow from protocol went along also. We picked up the plane at Andrews and it went out to Los Angeles to pick up the Reagan party and continue on the trip. About 15 minutes from landing in Los Angeles, the protocol officer made the discovery that the briefing books had, on the nice blue covers with gold seal and lettering, misspelled Reagan as "Regan." So we crashed for the next 10 minutes taking apart the books and hiding the covers. As soon as we got on the ground we grabbed a taxi to a drugstore, near Los Angeles International, and bought out its binders. I think we had two or three different colors. We snuck them back on the plane and put the briefing books all back together so at least we didn't start the trip with a strike against the State Department. I don't know who read the briefing books; the Reagan's certainly didn't. At a certain point before we arrived in Australia, there was a casual meeting on the plane, what amounted to a briefing of the party. It included Mike Deaver and a guy named Livingston who has since dropped out of sight but was Deaver's equal at the time.

Governor Reagan went over the outline of the keynote speech he had planned for the big dinner in Melbourne. It was a speech he had given several times before and, he said, was well received. The message was one of his trademark themes – to get government out of people's lives. He asked how that would be received in Australia. I told him that there was a labor government at the national level in Canberra that wouldn't be particularly receptive to that message, but for the nationalist government in Victoria, it would be music to their ears. He asked rhetorically, "We don't care anything about Labor's reaction, do we?" I wisely agreed. I was subsequently less wise, however. The first night out, when the Reagan's and the senior party went to the dinner and fancy dress ball, the rest of us went out to dinner and engaged in a discussion of Watergate, which was at that time in full flow. December '73. It turned out, in retrospect not surprisingly, that I and the cultural officer from the Melbourne consulate ended up arguing one side of the case and everybody else was arguing the other - the other being that Watergate was completely politically inspired; i.e., a plot by the Democrats. It was a very spirited discussion, which at times probably crossed the line into heated argument. One of my favorite lines, uttered by the other side, through clenched teeth: "The Sam Ervins of this country have a lot to answer for." I subsequently related the experience to the protocol officer, Patrick, who had not been at the dinner. Patrick was aghast that I could show such poor judgment as to get involved in this discussion with people who served a person who conceivably could be president. President! To my discredit, I laughed and said, "You can't be serious." Of course he was right, and I was wrong. Patrick had been around the block a few times. I still view the discussion as one that should be possible in any free society. Patrick saw it as a question of discretion, of how the department presents itself to people from the outside. Both points of view can be argued.

I did learn something from the episode that was of immediate use. It became known that I was the only person reading the newspapers on the trip. On the long flight to Singapore, I was invited into the Reagans' presence to brief them on what had been happening back in Washington. That was at the time the House was debating the question of what

constituted an impeachable offense. At one point, Nancy, who of course had a reputation for being not only Reagan's protector but his enforcer, fixed me with a hard look and asked me what I thought the congressmen were doing when they even considered whether Watergate-related events were relevant to impeachment. I was suitably cautious, and had the sense to plead ignorance, that I didn't know what they thought were doing.

The Singapore stop was without any sort of significant incident, though this was an important shopping interlude for most of the party. The baggage hold was pretty full from then on. In Jakarta, another event offers some insight into the relationship between the department and trips of this sort. Deaver said one of the things they wanted to do was to get the Indonesians interested in some of the things that California had to offer in agriculture, such as growing rice, and he was annoyed that the control officer had not picked up and amplified the idea. Well, it's not immediately apparent what California has to offer Indonesia in terms of growing rice. There may be something, who knows? Never mind that we already had an aid mission in Indonesia for some years. Deaver said, rightly I suppose, "There may be things we can teach the Indonesians about growing rice." But Deaver interpreted the control officer's reaction as not suitably enthusiastic. He went on to say, "After all, we developed the square tomato." I was speechless, but at least I wasn't negative. After all, while square tomatoes aren't especially tasty, they travel well and they're great for growers, shippers and supermarkets.

Q: It packs.

LANGE: It packs. I'm sure you can bounce one on this table. Anyway the whole trip was a learning experience for me. I did not have the impression that it was for the Reagan entourage.

Q: What was your impression of Ronald Reagan on this trip?

LANGE: Well it was not unlike the impression a lot of other people had of Ronald Reagan. "Amiable dunce" may be a harsh judgment, but he didn't seem to be Mr. Deep Thinker, either. He had messages, anti big government, for example, and he delivered those very well. His timing was great. He was charming; he was disarming. But he needed people to help him get ready. He was not prepared, for example, to answer questions from journalists in Australia: "How can you justify this trip at a time when we're having an energy crisis? How much is this trip costing? What will be the benefits?" He and his party resented that sort of question, which they seemed to regard as lese majesty. "He's the representative of the President; how can they question the worth of this trip?" Between Melbourne and Sydney, and again between Sydney and Singapore, we worked on suitable answers for those questions. He was prepared, on the other hand, for another question: "How does acting prepare you to be president?" His answer was not very convincing, but he did come to show us, didn't he, that for better or worse, acting and political success have much in common. Anyway, all things considered, I thought on this trip he came across as a very likeable person but with a very limited range. I would not have imagined that this qualified him to be elected president, but I later came to

understand better the value of packaging in political life.

Reagan's career was based on trashing government; the most recent government mega-building in Washington is the Reagan Building. He fired the air controllers; National Airport is now named after him. If irony could be tasted, this would be delicious.

Q: Did you get the feeling that Nancy Reagan was somebody to watch out for?

LANGE: To be sure! I was admitted to the inner circle only a few times, but she was always serious and focused, much more focused and much more interested in the political questions than he was. I was very conscious that I was being tested when she braced me with the question about congress and an impeachable offense. As a group, the whole party thought that Watergate was wholly political, that there was nothing impeachable about Watergate. When we landed in California, Ed Meese, who I think was his chief of staff, got on board before we deplaned and told Reagan exactly what the issues were and what he should say about them. There was very little back and forth; it was very one-sided. It was almost like winding him up. I hate to put it that way, but that was my impression. Really, I came away thinking this is not a person who should be elected as president.

Q: So Meese came out with what the issues were?

LANGE: He boarded the plane before Reagan got off, and he gave him a very full briefing on what had happened in California and what he should be saying about it. And this is the way Reagan got information; it was face-to-face, person-to-person. I doubt that anyone ever read those briefing books that we prepared for the trip.

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Philippines, 1975-79: The Later Marcos Era

Q: You left this job in '75; where did you go then?

LANGE: In 1975, I got the job in Manila. I extended the usual three-year tour for one year, so I was there 1975-79. It was a great tour. A friend and I built a sailboat, which we raced and took to islands not far from Luzon - Mindoro, Marinduque, Romblon. I was in the combined commercial and economic section; it was 1979 or so that Commerce established its own foreign commercial service. But my position was more economic than commercial; I was the financial economist, so I did the macroeconomic reporting. I dealt with the international financial institutions and their projects. I was the embassy's liaison with the Agency for International Development (AID) mission, which was quite large in the Philippines at that time.

Q: When you got there in '75, what was the situation as you saw it - political, economic - in the Philippines at that time?

LANGE: This was well into the martial law period under Ferdinand Marcos. It was clear that the nature of the Marcos regime was crony capitalism. It was not clear the extent to which Marcos and the Marcos family were engaged in corruption and how much they had accumulated. That became clear later. In terms of attitudes of Filipinos, it was my feeling - and some in the embassy would not agree with this - my feeling was that most people still had a positive attitude toward Marcos and martial law because they remembered earlier years when there was a lot of unrest and lawlessness, and a sort of warlord rule in the countryside and the provinces. I think many Filipinos welcomed collection of weapons and general lowering of temperature of life in the streets, and that Marcos still enjoyed a pretty high degree of popular support, although he was disliked by the political opposition and much of the intelligentsia.

Q: You're economic-commercial, so how was it for Americans doing business in the Philippines in those days?

LANGE: It was pretty positive. There was an active and influential American chamber of commerce, which was of long standing in the Philippines. American businessmen liked martial law, but were somewhat ambivalent toward Marcos. They liked stability, but corruption was beginning to be a problem. One of my responsibilities was to try to help American companies get in on the ground floor on major projects. And there were a lot of projects, in both basic infrastructure nature and as part of the buildup for the International Monetary Fund and International Bank for Reconstruction and Development (IMF/IBRD) meetings that took place in Manila in October 1976. There was a huge landfill project In Manila Bay, a major conference center that was being built on the landfill and several hotel projects, all of which had murky financial arrangements. Our knowledge of the Marcos regime's connections to these projects gradually accumulated, but when I was there, it was only suspected. There was one major project, a nuclear power project, that an American company was successful in landing, which eventually proved to be very controversial. Actually, it was controversial from the beginning, because the Philippines lies in a major earthquake zone, so there were some basic questions about the wisdom of a nuclear power reactor on Luzon. It was nevertheless heavily competed, and in that sort of atmosphere you knew political connections had to play a role. Company people came close to acknowledging that while I was there.

Q: Which company? Was this GE?

LANGE: Westinghouse. They came close to acknowledging that they had a "special relationship" with Malacanang, the presidential palace. This later became the subject of official enquiry.

Q: I can't remember when, but in '77 of course, the Carter administration came in and they had a rather firm policy about anti-corruption and paying bribes and all that. During the time you were there, had Congress passed the anti-bribery law, which basically said an American firm could not pay money under the table to get contracts?

LANGE: I don't know when that was passed, but it was certainly part of the background of doing business there. American business hated the law, believed it put us at a competitive disadvantage. I saw the impact of the Carter administration more in the human rights area. This affected our posture toward projects supported by international financial institutions (IFIs) – a new emphasis on human rights and a general atmosphere of, how shall I put it, greater human rights context to our policy in the Philippines. It became a more explicit U.S. policy with the Carter administration. That was the time when the position of Assistant Secretary for Human Rights was established. Pat Derian, the A/S for Human Rights, had some extremely contentious visits to the Philippines.

When I arrived in Manila, William Sullivan was the ambassador. He had a decidedly arms length relationship with the Marcos family and particularly with Imelda. There was a real antagonism there. After Sullivan departed (for Iran), there was an interregnum, and the charge, Lee Stull, allowed the embassy to enter the warm embrace of Imelda. She had a government position, which was as minister for something with the wonderful acronym BLISS. This was derived from Bagong Lipunan Sites and Services, which dealt with local development, that sort of thing. The AID mission had always avoided this ministry like the plague. They didn't want to get involved with BLISS, and particularly with Imelda. But then Stull, who had come up through the USIS, thought we should engage. Imelda was all too happy to engage, and in a big way. She started sending her van around to pick up embassy officers to go visit her projects, which were typically long on sentiment and drama and short on coherence. It was a difficult time for the AID mission.

Q: At that point, it was pretty well determined that Imelda was not somebody you wanted to get close to.

LANGE: Well, the AID position was that her notion of development was far removed from the mandated basic human needs approach that they operated under. She talked the talk, but she didn't walk the walk. She had very high profile projects. She had a heart center that she supported and other medical programs that had nothing to do with AID priorities. They just felt that to get involved would distort their program and absorb their energies.

Anyway, the Stull interregnum was good for me in a selfish sense because I got to get out to see a lot of the Philippines. I was already traveling a fair amount because I was visiting World Bank and Asian Development Bank projects. But Stull traveled a great deal to the south, including to Muslim areas down there. I doubt that anyone from the embassy travels to those areas these days – Zamboanga, Lake Lanao in northern Mindanao, even Basilan and the Jolo Islands.

Q: They've got 30 or 40 hostages by a Muslim group now as we speak. But this traveling around had not been done as much before.

LANGE: I don't think so. There was a substantial military attaché presence there, and they had their own plane, which the ambassador could request. I don't think that Sullivan

took advantage of it, but Stull certainly did.

A brief aside on travel by small plane in the Philippines. Early in 1976, not long after I arrived, the economic counselor, Ed Cheney, who was my boss, along with Garnett Zimmerly, the head of the AID mission, and Henry Lee, a Treasury officer who was on the U.S. delegation to the Asian Development Bank, visited a project somewhere outside of Manila. They were returning in poor weather conditions – wind, low ceiling and rain – when their plane disappeared. The search went on for several days, engaging all resources of the Philippine and U.S. militaries. The emergency transmitter eventually faded out, and the search was abandoned. Later that year, the crash site was located, and it was in a heavily wooded area not far from Manila. It was a real loss to the mission. The country is well known for its rugged and remote areas – recall the WWII Japanese soldier who only came out of hiding in 1975, and the "Lost Tribe of the Tasaday" on Mindanao – but one could drop out of sight a short distance from Manila.

Q: Were you aware as you were traveling around and doing this, you couldn't help but compare and contrast with South Vietnam at all? Were you disturbed? Were you seeing similarities; were you seeing differences? What were your impressions at that time?

LANGE: One of the big differences was the gap between the wealthy and the poor. In the Philippines, it was so much more obvious than it was in Vietnam. You had individuals and families that were incredibly wealthy in the Philippines, and they didn't mind showing it. At that the same time, you had this terrible poverty at the bottom. You probably saw last week the tragedy at the Manila city dump.

Q: Yes, a garbage mountain collapsed just the other day and killed over 100 people. It's still obviously there.

LANGE: This very area in Manila, Tondo, was the location of a groundbreaking World Bank project. They tried to attack this problem of the squatters coming in and settling near the dumps. Of course the development dilemma is serious: Do you want to improve living conditions for people there, thus possibly attracting more people to come in from the countryside? This was a serious project that got a lot of attention. Cong. Steve Solarz came out and visited it. I visited the area several times, and the conditions that people lived in were really poor, even in the project area, which had drainage, streets, and sanctioned access to electricity (as opposed to just tapping into the nearest power line). The difference, the huge gap between the poorest and the richest was so obvious. One of the development puzzles about the Philippines was that it has always shown great promise, with a reasonable good infrastructure and good human resources, and yet it was not one of the Asian economic tigers. There are some objective barriers to development. Communications and transportation was a problem. The topography is rugged and forbidding, and with the exception of some lowland paddy, the ground is not very fertile. On the island of Cebu, the crops were so poor that I hardly recognized corn plants as such. Atomization of the country into thousands of islands makes it difficult to move products around or deliver services. On a trip to the remote island of Palawan, we visited

a hospital where malaria patients were so numerous they were crowding the hallways. There was no medication to treat them.

Q: Filipinos in the States are pretty hardworking and aim for good education.

LANGE: That's right. They had good education in the Philippines. English was thought to be an advantage in the international marketplace, and I'm sure it was. But the country always seemed to be a substandard performer in the Asian context. I think recently things have looked better; they have done better in the macro sense. But the export picture at that time was very much dominated by a few commodities - sugar, coconut, to some extent mineral products, nickel and copper - so they were subject to the vagaries of international markets.

Q: And these were heavily controlled over which they had no, these were world cartels or whatever you want to call them. In your job were you looking towards trying to get Americans to invest in things, which would be like making shoes or shirts or electronics or what have you?

LANGE: We didn't explicitly promote investments in those types of things. American labor unions were watching to be sure we didn't encourage investments – through the Overseas Private Investment Corporation, for example – in labor-intensive industry. Our role was more to give an objective assessment of the political and economic picture. One of the other issues that I spent a great deal of time on was external debt and balance of payments. That was a chronic problem and one of the questions that visitors always had. For commercial banks, it was a double-edged sword. They made a lot of money off of third world debt, including Philippine debt, and the higher the risk, the higher the profit. So they didn't necessarily view the high debt situation as a bad thing, as long as collapse, i.e., default, could be put off to the indefinite future. This and related issues – the value of the peso, the balance of payments and the debt service burden – came under the economic analysis part of my job. The other part was analysis of political stability. It is much easier to see in retrospect that Marcos was not going to step down gracefully, and that eventually there would have to be some sort of wrenching adjustment.

A couple of anecdotes about the political scene: A political officer, Ralph Braibanti, and I took a trip to northern Luzon, including the area where Marcos came from. One of my reasons for taking the trip was to visit a World Bank dam project up in the highlands – the Chico River, or perhaps it was the Magat River dam – which was going to displace a number of tribal people in the area. Overall, it was probably a good project, but the immediate impact in terms of relations with the minorities in that area was not good. On our way back to Manila, we were overnight guests of the governor of Ilocos Sur, which is maybe 100 miles north of Manila. He was a character out of some novel who had - how shall I say - floated to the top after the declaration of martial law. Our stay led me to the conclusion that before martial law, everybody in that province was armed and dangerous. After martial law, only the governor and his cronies were armed and dangerous. His recreational interest – in fact apparently the sum total of his interests – was cockfighting.

He didn't appear to think much about governing but rather about maintaining his hold on power. He was surrounded by bodyguards. The morning of our departure, we noticed our embassy driver was red-eyed, and we were afraid he was going to fall asleep at the wheel. He told us that some of the governor's bodyguards got him in a card game in which there was a lot of drinking. He said that he was afraid to stop playing. Maybe this was just his story, but we knew him well, and he wasn't a drinker. He was genuinely fearful of these goons. The governor had on his wall an enlarged news photo, which had him alighting from a jeep with an M-16 to confront a man in the road, also with an M-16 at the ready. They were each evidently prepared to use them. He had captioned the scene, "Outlaw Country." He was caught up in this Wild West mythology: He was Marcos's man in Ilocos Sur. Probably most people were glad that the streets, for those who didn't cross the governor, were safer than they had been. But there wasn't much of a nod toward democratic governance.

The Marcos regime was not really comfortable with genuine democracy. For example, my sailing partner was a journalist who was pretty tight with the opposition and got into trouble with the regime several times for his reporting. He was the subject of a deportation hearing that went on for several months, tied simply because to his reporting on the opposition. For Marcos, the handwriting was beginning to appear on the wall. The question was if Marcos would voluntarily loosen his grip on power.

Q: How did you all, at the embassy, the officers, deal with the embrace of the Marcoses. I've heard about some; I know one of our consul generals got in trouble [because] he got very close to the family and all. Was this a problem?

LANGE: Well, I mentioned Sullivan's posture, which was to remain at a distance. The last ambassador while I was there was Dick Murphy, who amusingly thought he had been assigned by mistake. He was an Arab-speaking Middle East specialist, and he honestly thought that someone had confused his name with another Murphy. Sullivan had gone on to Iran, and events there had led everyone to rethink how we relate to countries controlled by strongmen. There was a lot of internal examination, how we were relating to the regime, how we were reporting it, if we were missing indicators of the sort that would have let us predict the sort of things that had happened in Iran. I think there was much more consciousness when I left in '79 than when I arrived in '75 about looking for indicators outside the power structure. But apart from this problem that I mentioned earlier, that the AID mission specifically had of being associated with Imelda, I don't think there was a problem, that I know of anyway, relating to the Marcos group.

I became friendly with a young Malacanang staffer. His family was well off, he had gone to school in the U.S., Cornell, and he was pretty full of himself. We got together socially, but it never became a problem in terms of him trying to use the relationship. He was, unfortunately, discreet when it came to goings-on at Malacanang.

Q: What about adjusting our job? As an old consular hand, how about visas - was this a perpetual problem for you, as far as people trying to get things through?

LANGE: We had a very well developed visa referrals system. It was thoroughly institutionalized, with forms to fill out, as I assume is common with all high-pressure visa operations, such as in the Philippines. Long lines of applicants appeared every morning. We had a system of rotation onto the visa line for junior officers. I escaped that, having spent my junior years in Vietnam. I never issued a visa, in Manila or anywhere else. I'm not sorry I missed the work, and I'm not too sorry I missed the experience. Anyway, junior officers would go into the visa section on rotation and they were aghast at the way we treated visa applicants, funneling them through like cattle. We'd give them a 60-second interview. But I mean pressure was there, you couldn't escape it. After two months in that atmosphere, doing that job, everybody seemed to arrive at the same place. You couldn't be compassionate. You didn't have the time. You'd been lied to enough times that you were deeply suspicious of any story. And it's really an unfortunate feature of consulate work.

Q: And I don't think it's changed much since then.

LANGE: Every place I've been, people imagine that the ambassador could mandate issuance of a visa. As far as I could see, that wasn't true. Consuls general maintained their independence, while sensitive to an ambassador's views, to be sure. For us grunts, when we got a special appeal from a contact, we filled out the referral form and sent it in, and sometimes a reinterview had an effect and sometimes it didn't. It was the same in Poland and in China, both high-volume visa posts.

Q: I suppose that for somebody doing this, it's a quirk of the law, in a way, that an ambassador cannot issue a visa and cannot order a visa to be issued. Sometimes by indirection; it's not a good idea to cross the ambassador too often. But also any ambassador knows that they can't order a visa to be issued. So it's a good out for them; it gives then an escape clause.

LANGE: It's very difficult, as you know, to convince applicants, or influential friends of applicants, that the ambassador cannot do it.

Q: Just one question - did the Marcos rule in the Philippines raise its head while you were there? Because this is early days, [and] Marcos is riding high. I'm wondering if we were feeling any disquiet about him.

LANGE: Well, this is – I'm trying to remember when Marcos actually left the Philippines, what year that was. 1986, I believe. Even by the time I left the Philippines, in '79, there was a lot of sentiment that we had gone too far in supporting a less-than-democratic leader. I remember there was a Time magazine cover article, just before I left. I think the background image was an inferno or explosion and the thrust of the article, which was by Ross Munro - whom I talked to when he came through the Philippines - the thrust of his article was that the Philippines was a powder keg and Marcos' days were definitely numbered. So there was a lot of reflection on the appropriate policy. I

mentioned earlier that after the Shah was overthrown in Iran, there was a lot of government-wide examination about this issue -- the balance between supporting democracy and supporting a leader who could control and with whom you were friendly. Murphy, in Manila, held regular Friday sessions with junior and mid-level embassy officers exploring this question from different angles. How could we measure the support Marcos had, and what should we be doing to prepare for the post-Marcos period? This was a very live subject in '79, and the dilemma continued up until Marcos's departure.

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Taiwan, 1979-80: Language Training

Q: So Howard, in 1979, what happened?

LANGE: In 1979, we had the opening in China – the establishment of diplomatic relations. Because I had studied Chinese in the military and done postgraduate work on China, my interest in the China game was reawakened. I made my availability known and in due course was sent to Taiwan to pump up my Chinese for an unspecified assignment to Beijing.

Q: So you were in Taiwan from when to when?

LANGE: '79 to '80.

Q: You'd been there before, hadn't you? How did you find, by this time, of course, we had interest –

LANGE: I'll get into this more because later I was Director of the Taiwan Coordination Staff (Taiwan desk) in the 1990s. We had established the American Institute in Taiwan (AIT) in 1979 to manage our unofficial relationship with Taiwan. The language school was part of it, and it moved from Taichung, which was in the middle of Taiwan, to Taipei. We were the first class that was not in Taichung. This was the early part of this unofficial relationship following our recognition of Beijing and withdrawal of recognition from the "Republic of China" (Taiwan), and we still weren't quite sure how this would go down with the people in Taiwan. There had been some consideration of moving the school to the PRC, but practical considerations – costs and relative ease of administration primarily – argued for keeping it on Taiwan.

Q: People who've gone to the old one when they went there - Taichung - had remarked how good it was to be removed from the embassy and that sort of thing. In other words they were some distance removed, and they really had to use Chinese much more away from the office atmosphere. Did you notice a difference, just internally? Of course we closed our office there but it was still a functioning interest. Did you find that that was a distraction for learning?

LANGE: That aspect didn't really change very much. The location of the school itself was at Yang Ming Shan in the mountains north of Taipei, which had become a rather well to do suburb of the city. It was a real excursion to go downtown, so we were really separate from day-to-day AIT operations, both as a matter of policy and in a geographic sense. Still, while we were exposed to Chinese language and culture outside the classroom, it was not exactly immersion; we led a rather suburban existence, and passed much of our free time together, speaking English among ourselves.

Q: This was a time of change on Taiwan. Were you picking up at the school, from your contacts, a sense of growing Taiwanese nationalism itself, concern about China? Things were changing.

LANGE: That's right. I noticed outside the room here a book by Chuck Cross, the first AIT director in Taipei. I'm sure he covered the transition very well. Taiwan was still under martial law, as it had been since the late '40s. Politics were still very much dominated by the KMT, the Kuomintang. 1980 was the time of the Kaohsiung Incident, when a demonstration by the Democratic Progressive Party - the DPP - in Kaohsiung turned violent. A number of DPP figures were arrested and tossed in jail. At that time - '79-'80 – the people on Taiwan were reeling under our derecognition and still very fearful of what that meant. Very watchful of the effect of the Taiwan Relations Act and to what extent they could still rely on the U.S. umbrella to help them avoid reunification with the mainland. There was a lot of uncertainty, and a certain fatalism as well because virtually everyone else in the world, with the exception of two or three dozen smaller countries, had recognized Beijing. That's what makes present day Taiwan so remarkable, because that's only 20 years ago. Within 10 years after the Kaohsiung Incident, the DPP was legal, martial law had been lifted, and Taiwan was on its way to real democracy.

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Beijing, 1979-82: China Opens Up

Q: You finished there in 1980. Where then did you go?

LANGE: We went to Beijing.

Q: And you were in Beijing from when to when?

LANGE: '80-'82.

Q: What was your job?

LANGE: I was initially in a combined economic and commercial section, which was later divided. The commercial side split off to coincide with the establishment of the foreign commercial service under the Department of Commerce. I was head of the internal reporting unit of the economic section.

Q: Well of course you were there during a transition time between the Carter administration to the Reagan administration. Who was your first ambassador and then the second one?

LANGE: The first one was the Labor leader from Michigan, former head of the UAW Leonard Woodcock. Then he was replaced by career diplomat Art Hummel.

Q: How did you find being right in the heart of the beast, being able to get economic information at this point? You'd already been used to playing around with reading the local papers down in Hong Kong and elsewhere, and all of a sudden, here you are. So, how did things change and how did it work?

LANGE: Well, there was quite a lot available in academic journals, and more was appearing all the time. There was more scope for Chinese economists to explore the nature of their economy. There was a growing acceptability of alternate models. As of '78, Deng Xiaoping had embraced opening to the outside world. So this was a major new factor in Chinese economic orthodoxy. Getting a handle on the Chinese economy was of course something else. Statistics were (and still are) extremely suspect, regardless of the new attitudes and acceptability of new ideas. There was still pressure from the leadership to report positively. So all the statistics were quite doubtful. We spent a fair amount of time trying to identify, through looking at the press and journal articles, individuals that we could talk to, who could give us some insight into policymaking, trends, attitudes, and particularly those that had some importance to American businessmen and others. There were just three of us in the unit. One of the others was on loan from the Agency and his Chinese was excellent because he had grown up in Taiwan. He's since joined AID with his wife.

Q: So was he doing Agency work?

LANGE: No, it was really an embassy position; it was not an Agency position. The arrangement provided a cross-fertilization benefit to the Agency and the embassy gained a Chinese language resource. The position was short term, but it was reestablished from time to time.

Q: I would think in a country with such tight controls as China, trying to talk to anyone, particularly a bureaucrat but others, [they'd be] so sensitive about giving out economic information, like how many shoes they sold would be a state secret or something. And this would be an inhibitor on the part of people who'd be willing to talk to you.

LANGE: Quite right. To have a spontaneous conversation with anybody in China was extremely difficult for a foreigner, and as a representative of the embassy, we were even more on the outside. The Chinese have a foreign affairs bureau for any sizeable institution. The job of these "barbarian handlers" was to deal with foreigners, either businessmen or foreign officials. You had to go through them to set up meetings or visits.

To be fair, some of these offices really did do their best to facilitate access to people and information. But they often were barriers and saw their jobs as minimizing contact between the foreigner and real people in the organization. Their function was also to present a picture that was approved by the local party structure. There was an additional constraint. At the time I was there, there was a system of notification of the foreign ministry whenever one traveled outside of a certain perimeter around Beijing. Usually we could go where we wanted, but it meant that everyone along the way knew you were coming. The economists and officials were usually quite careful, limiting themselves to saying what they'd already said in print. So it magnified the problem of trying to understand what was going on.

Q: In a way, particularly in economics, which is so important - and I'm thinking of countries such as China - it sounds like you were, with all this fancy "restoring relations" and all the hubbub and all, you were almost back, as far as you were concerned, to the bad old days of sitting around in Hong Kong and trying to figure out what the hell was happening by reading newspapers and reading journals and picking up information that way.

LANGE: Yes and no. Of course, you could read all the journals in Hong Kong and the newspaper articles. But I think the added element was personal experience, the ability to observe things that were going on. You visit a factory, and they couldn't totally pull the wool over your eyes because you could see what was going on. Was stuff coming out the other end of the assembly line or not? Was machinery sitting idle or not? And notwithstanding limitations on contacts and pervasive self-censorship, we could talk to people. During the period I was there, there was a certain amount of rivalry between our missions in Hong Kong and Beijing, but the balance of value-added reporting had clearly shifted toward Beijing. The other consulates we had established already - Shanghai and Guangzhou, had also become significant bases for reporting, even with their constraints.

Q: I would think the strength, the muscle that made everything work in Hong Kong was its staff of Chinese foreign service nationals who'd been doing this for years who were not particularly, they, just by the fact that they were in Hong Kong, they were not tools of the Chinese mainland government. I know that during this, they were really finely honed, as far as picking up things. Whereas in Beijing, my understanding is that the ministry that handles barbarians was assigning you people. You couldn't go out in the street and hire people. So, in a way, you were deprived of objective, local nationals to read the journals.

LANGE: That was certainly a weakness of the operation in Beijing. The local employees were assigned by the Diplomatic Services Bureau, an office under the foreign ministry. The embassy could refuse people on interview, for one reason or another, but you couldn't, as you say, go out and recruit people for a position. It was John Thompson, who was running the information section, who first managed to get around that. He identified somebody who made himself available through the Diplomatic Services Bureau. I don't know the details, but he got a very good person as a senior FSN. But usually the people you would get were career diplomats or government people who had an English language

capability, who accurately saw this assignment as not contributing to their career. We suspected that some might have been made available by their parent organization to the DSB because they weren't performing. So we got a really mixed bag of Chinese employees, and we relied on them much less than did the operation in Hong Kong. Remember, however, that things were changing fairly fast, and the job of reporting from China posts shifted away from reading tea leaves toward keeping on top of developments. We did have our employees in Beijing scan the press and alert us to interesting developments and do the contact work - setting up appointments and so forth. But we certainly didn't have a cadre of really topnotch local employees to provide analysis.

Q: Say, you were going down to see "Such and Such Golden Pheasant Electric Company." How would you find making contact and seeing the various people? Were they responsive, or did you feel they were told to let you come but don't show too much or something like that?

LANGE: It varied a lot. Once you penetrated this layer of barbarian handlers and got to people beyond that barrier, often they were enthusiastic. They were thrilled in some cases that somebody was interested in what they were doing, or more importantly, that it might lead to foreign investment and change their lives. In some cases, not; they didn't see any advantage to cooperating or revealing any more than was required. They didn't see any relevance; they were just going through the motions.

Apart from more or less formally-arranged visits, it was possible to deduce quite a lot just from direct observation. To illustrate, I might relate some experiences from a visit to Sichuan Province.

Q: This was when?

LANGE: This was the winter of 1980-81. I took the train, which was the principal means of travel within the country, and it probably took between a day and 30 hours. In that time, I passed from the harsh winter landscape of northern China, through the even more forbidding mud-brown villages of Henan, then into the mountains separating North China from the protected basin of Sichuan. At about this point in the journey, it was time for dinner. Foreigners could not go to the dining car while Chinese were there, so I was summoned to dine after all others had eaten. I was the only foreigner on the train. It was darn cold in the car, so cold in fact that the grease that is a normal component of Chinese cuisine had congealed on top of the dishes. I picked at it, but couldn't get anything down. About a half hour after I returned to my compartment (which again, I alone occupied), a terrified-looking cook called on me to ask if there were anything wrong with dinner. He seemed petrified that I was going to complain when we arrived. I assured him, and the conductor who was there as a witness, that I suffered from a tender stomach and simply was unable to keep anything down. He was clearly relieved that I was sick.

Deng Xiaoping had only established the "opening to the outside" economic policy in '78, and there was a terrific lag in carrying it out, especially in the hinterlands. It was really

only getting underway at that time. Sichuan is an interior province, far from the coast. It is the province to which the Nationalist leader, Chiang Kai-shek, retreated in the face of the Japanese invasion in the late 1930s and established the Nationalist headquarters. It is an incredibly populous province, with over 100 million people even at that time. So it's very important. Because of its isolation, ideas and trends often got to Sichuan much later than to the coastal areas. But it was very lively at that time; the markets were packed. There was a lot of very small-scale market activity - people selling things off the back of their bicycles and so forth. One seller of baskets was an old man who came in from the countryside. They were very attractive, and I still have a couple of them. So I began to engage him in bargaining. Eventually we struck a price, and by this time we had drawn a crowd of maybe 150 people who were watching this process because many of them had never seen a foreigner. So after he had exchanged his baskets for my money, he started talking to the crowd, defending his price as a fair price. He insisted that it was the same he would have charged anybody else; he hadn't exploited the foreigner, there was a lot of work involved in making the basket, etc. This resulted in a lively and serious discussion among all these people about whether this was a fair price or not. Eventually the consensus seemed to be that yes, this was a fair price. It was strange that he felt obligated to defend his price, possibly because he had always operated with fixed prices, selling to his cooperative or whatever. And passersby didn't think it odd to pass judgment on whether his price was fair or not. You won't find that sort of innocence in any corner of China today.

Generally, prices were low in Sichuan. Seven of us went out for a big dinner – admittedly unrefined food (Sichuan cuisine is considered to be peasant fare among sophisticated Chinese) – and it cost the equivalent of a dollar apiece. Radio and TV retail outlets were doing a very brisk business. Bicycles and sewing machines and watches – all measures of relative prosperity in the interior in those early days – were selling well.

Other vignettes from Chengdu, the capital of Sichuan.

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There was a memorable, 30-foot-high statue of Chairman Mao standing in the middle of the city, with right arm raised in a salute to the masses. When I was there, it was surrounded by scaffolding, and there were wild rumors that it was being torn down. But as it turned out, it was just being scrubbed. They hadn't quite worked out their attitude toward Chairman Mao at that time, though I noted that in the bookstores, the obligatory section devoted to the works of Mao had tarps over the books, dust covers that had apparently not been disturbed for months.

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There was a large family planning billboard at the main downtown intersection in Chengdu. This was at the height of the one-child-per-family campaign, which it later became clear was a failure in the countryside. It worked in the cities where they had some control over housing, ration coupons and so on, where you could really put some pressure on people. But in rural areas, it never really worked very well. The billboard depicted a

happy mother, father and child. The text was translated into English because, as a bystander told me, "some foreigners have the impression that there are too many people in China." But the English translation was unfortunate because it said, "You better have just one child," which to us sounds like... "or else…."! I really don't think that was the intent, though the history of family planning in China includes local and regional officials who took drastic measures, including coerced abortions, to insure one-child families.

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In the middle of Chengdu there was an advertising agency, a small, storefront operation. Of course the concept of an advertising agency was new to begin with, and it had the interesting name of "The Hundred Flowers." --- *Q: A hundred flowers bloomed, and then they were all chopped off.* --- Exactly. Chinese were in the mid-1950s invited to offer their honest views on political and social developments – "Let a hundred flowers bloom and a hundred schools of thought contend" – then were attacked and persecuted for doing so. Given campaign and numerous other reversals in Chinese history, the name of the shop showed remarkable faith in the new policies, or perhaps foolish bravado. On the back wall of this agency was a list of services and prices, flanked by portraits of Karl Marx in one corner and Lenin in the other. I couldn't find anyone to ask, but perhaps they were leftover decorations from the era just past. I doubt that the irony was intended.

I returned to Chengdu in 1998, and in most ways it had joined the rest of China in terms of consumer goods, traffic choking the streets, pollution - all of the trappings of modern China. Pollution is particularly bad in that area. All of Sichuan is a basin, which largely accounts for its fertility and mild climate. But it also traps air pollution close to the ground, which is quite unpleasant and truly bad for health.

Q: Were there any events during this time? Did you find - I have a feeling that initially there was a cooling off period when the Reagan administration came in?

LANGE: There was a lot of nervousness among the Chinese about the Reagan administration. Soon after I arrived in 1980, George Bush made a visit. Just about the time Bush touched down, Reagan made a statement that was tantamount to suggesting reestablishment of official relations with Taiwan. Bush seemed as surprised and nonplused as were. The Reagan statement of course sent the Chinese through the roof and cast a pall over Bush's visit. So certainly there were a lot of doubts about the Reagan administration and its meaning for the relationship with China. The statement also highlighted the unfinished business - still unfinished today - of our arms relationship with Taiwan, and this led to the excruciating negotiation of the 1982 communiqué on arms sales to Taiwan. I was not a part of that negotiation, but it was certainly part of the background to life in the embassy. We could see the pressure that Ambassador Hummel was under.

Political concerns however did not dampen Chinese interest in foreign investment, new technology and trade. The promise of the China market allowed them to turn that to political advantage. For example, China was just beginning to open up as an aircraft

market while I was there. The Chinese were not shy about hinting that an upcoming major buy of aircraft could well go to the Europeans if the terms offered by the Americans were not right or if political relations turned sour. The Chinese are not alone in playing that card, but the market was really meaningful to Boeing. The political environment is a consistent source of anxiety I think to major players in business in China.

To illustrate the power of Chinese interest in the latest technology, I accompanied a group of American businessmen who were selling port-handling equipment, that is cranes, straddle carriers, that sort of thing. We visited the major ports, about a half dozen. We were provided access that you normally couldn't get and observation of the truly retarded state of modernization in Guangzhou, Shanghai, Qingdao and other ports. This was clearly a product of Chinese eagerness for foreign business competition and world class technology.

This discussion relates to one of the enduring arguments in the China relationship: Is our investment and technology transfer an agent of change in the Chinese system, or is it "selling the rope with which they will hang us" – that is, does it act primarily to strengthen the present system. There is a lot of simplistic thinking on this subject, and the time horizon for some people is clearly very short. I firmly believe, however, that contact with non-Chinese societies will change the Chinese system, and that trade and commerce are powerful agents of such contact. The change may not always be what we expect, or even necessarily for the better, but isolation is not really an option.

Q: You were there when the commercial service cut loose from the foreign service and moved to the Department of Commerce. How did this seem to work in the field and in an important new market? What was your impression?

LANGE: In a short term sense, it intensified one of the embassy's problems, which was physical space. The extent to which the embassy could expand its operations was limited by the number of people, and Woodcock had put a strict ceiling on that number because of the size of the chancery and the limited number of apartments available, which had to be in buildings expressly designated for occupancy by foreign diplomats. When I first arrived - for at least the first six weeks - I didn't have a desk to call my own. I had to work off the corner of someone else's; you had to see who was absent that day to see where you were going to work. We didn't have permanent living quarters either. My wife and I lived in one room of a hotel for seven months. We got some relief on office space when a carriage house/garage behind the Ambassador's residence was converted. The economic and commercial functions moved into that building.

Concerning the broader issue of commercial work, I think that the breakaway from State did genuinely reflect a conflict. When it belonged to State, there was always competition for an officer's time when he was doing both economic and commercial work, and it was usually the commercial part that came up short. In my experience, State officers, starting at the top, put a higher value on economic analysis than on commercial work. Perhaps it was inevitable that the commercial service would split off. It probably improved our

commercial work, though that view was certainly not welcome at the time. It was seen as yet another sign of State's atrophied bureaucratic muscle, and there was also truth to that.

In Beijing, the commercial service came in and a couple of the economic/commercial officers in place were assigned. A commercial counselor position was established. The economic and commercial functions were co-located for all the time I was there, in the converted garage. There were some growing pains for the foreign commercial service, globally and locally. But they eventually got some good people and built up their operation. They became a very effective operation within the embassy.

Washington – Office of Chinese Affairs, 1982-85: Economic Relations

In 1982, I was back in the department. For a year I was in the EAP Regional Economic Affairs office. That was from '82-'83. Then from '83-'85, I was on the China desk.

Q: In Regional Economic Affairs - '82 to '83 - what were your concerns? What was our economic policy? What were you dealing with?

LANGE: This was just a one year assignment, and I have to say, it was a year I prefer to forget. Not much happened in my personal career, and not much happened that I can recall in Regional Economic Affairs. This was just sort of a parking place till I got on the desk.

Q: Okay, this happens.

LANGE: I didn't enjoy the assignment very much. And the office was somewhat demoralized and disorganized. My portfolio was to coordinate aid, investment and commercial policy in the Asia region.

Q: So you moved on to the China desk? And you did that from - ?

LANGE: '83-85.

Q: What piece of the China pie did you have?

LANGE: At that time, there were three deputy directors, a principal and one each for economic and political – a fairly egregious example of title inflation. I was chief of the economic affairs side of the desk, which had four officers and two secretaries. It was a busy time. This was still early in the relationship, but we were already catching a number of things on the rebound. During the very early days, we had negotiated a number of economic and trade agreements, and now, four years on, it was time to either extend them or renegotiate to try to fix the things that were wrong. Many of them were concluded in the haste of preparation for this or that high-level visit. You know the way agreements are done. They're not negotiated in a calm environment; the deal isn't cut until there's pressure to do that, and usually the pressure is a high-level visitor. The result is

sometimes not pretty, and flaws are soon exposed. I spent a lot of my time with a maritime agreement, which we had concluded in '79, which was up for renewal and which wasn't working. It lurched along through a couple of renewals but eventually was allowed to lapse. There are still notions that a new one can be negotiated.

Q: What problems?

LANGE: One of the key issues that went to the heart of the Chinese system was that our carriers wanted the ability to market their services in China. On the Chinese side, you had a monopoly. And the monopoly, COSCO - China Overseas Shipping Company - was not about to easily give up its position. And just as we signed agreements under political pressure, the Chinese did as well. They may have had good intentions in 1979 were never really able to deliver on that agreement. This was a constant source of grievance for our carriers. Chinese grievances were related to some leftovers from the Cold War in terms of access to certain U.S. ports, the fear being that it was possible to gain technical intelligence in ports that were near U.S. naval bases or where U.S. naval ships transited. There were a number of restrictions on Chinese access to these ports, though we were able to remove most of them. The fundamental problem remained – American carriers could not get direct access to the Chinese economy to provide services complementary to shipping. Without that, they had limited ability to compete with COSCO and its lower operating costs. It was incredibly time consuming and frustrating to try and get those problems fixed. Perhaps WTO membership for China will help in addressing them.

Q: In a way, problems on both sides.

LANGE: On both sides. The Chinese for their part want instant acceptance on a basis, to cite their mantra, of "equality and mutual benefit." Residual limitations on port access rankled. But this couldn't be quickly fixed. In general terms, in the U.S. one saw almost daily in the press evidence of suspicion of the Chinese from two angles. One was a doubt that they are able or intend to deliver on agreements that they make. My own feeling is that there are some notable failures, but that the Chinese do about as well as most countries in that regard. A second area of suspicion relates to intentions. Is China a long term threat to the U.S.? Do Chinese gather intelligence as a byproduct of commercial activity? It is difficult to assess Chinese intentions, but frankly, I think we are inclined to overrate their intelligence abilities. In any case, one hears a bit less of "China is a threat" discussion these days, perhaps because other, more tangible issues are commanding foreign affairs attention, but it was a significant theme 20 years ago, and it did not facilitate agreement on maritime relations.

Q: Did you feel, by this point, as the Reagan administration had been in about two years - Ronald Reagan had been obviously the Cold Warrior par excellence, a great supporter of Taiwan coming from California - did you feel that you were dealing rationally with China by this time, as far as administration direction?

LANGE: Oh, yes. I think there was substantial transformation in the thinking of President

Reagan, and this really started soon after he took office. The third agreement with the Chinese, the August ’82 Communiqué on arms sales to Taiwan, I think was a measure of recognition of the young Reagan administration of the importance of China in our overall foreign policy. And I think that’s something that all administrations since ’79 have recognized, or you could trace it back to ’72. At that time, of course, the Cold War was still a reality and a factor in the U.S.-China relationship. Since ’89-’90, that hasn’t been a factor, and that has somewhat complicated the relationship in the sense that a lot of people now question whether we need China, since it no longer functions as a counterbalance, as it once did, to the Soviet Union. The conclusion of the 1982 Communiqué was sort of a watershed event, in that the Administration at least recognized the implications of normalization. The agreement opened the way for three visits at the highest level from 1883 to ‘85. Those visits couldn’t really have taken place unless, as you imply, there was a pretty rational and clearheaded approach to the relationship on the part of the Reagan Administration.

It is worth noting here that, just as we question China’s fealty to agreements, the Chinese do not believe that we are living up to the 1982 Communiqué. The 1982 Communiqué set out limitations on our arms sales to Taiwan, which we have, well, observed in our own way. Our official position is that we abide by the terms of the 1982 Communiqué, even though the language of the communiqué envisions that we will not increase military sales to Taiwan, and will eventually terminate them. That has not happened. We maintain that one of the conditions for concluding the communiqué was our understanding that it was Chinese policy to peacefully resolve the Taiwan question, but that that policy has not been realized, that in fact there continues to be a threat from the Mainland side. The Chinese counterargument is that while Beijing seeks a peaceful resolution and has no *intention* to use force against Taiwan, it cannot forswear the use of force, since that would be tantamount to an invitation to Taiwan to declare independence. I think it is fair to say that in 1982, Beijing thought that we really would gradually phase out arms sales to Taiwan. They regard the facts of the matter – increased arms sales to Taiwan – as a sign of either bad faith or inability of a series of administrations to deliver on the 1982 communiqué.

Another event of the 1983-’85 period was the entry of the PRC into the Asian Development Bank (ADB). This was very difficult, because Taiwan (the “Republic of China”) had a seat in the ADB. Taiwan had to somehow be accommodated at the same time that the PRC was admitted. It was a difficult negotiation that went on for a long time, which the Koreans were active in intermediating. The outcome was not bad – it has worked – but the solution, as is often the case, wasn’t wholly satisfactory to either side. Taiwan still has a voice through the Korean executive director, and the PRC has its seat. The PRC could not freeze out Taiwan, but the price for Taiwan was to accept a new name for use in the ADB. This gets deeply into the theology of China nomenclature, but the Taiwan authorities believe that the name under which they now participate – “Taipei, China” – comes uncomfortably close to an acknowledgment that Taipei is a part of China as we know it today, that is, the PRC. They thought that this formulation, with the comma as opposed to without, could compromise their position in nomenclature battles to come.

As you see, this is extremely arcane, almost nanopolicy, but these issues are quite important to both sides.

Many Americans feel that such things as a seat in the Asian Development Bank should be a reward for good behavior and essentially for adopting an approach to governance that meets our test. This is one of the reasons there's such emotional support for Taiwan in the Congress and editorially because Taiwan has embraced democracy and our concept of governance, while Beijing explicitly rejects it. So ideologically there's more support for Taiwan today than there was in '79 when Taiwan was authoritarian and under martial law. This is all by way of saying I think our policy toward the PRC gradually normalized to accord with our official relationship. However, the specific problems multiplied because we had a broader and deeper relationship covering many different areas.

Q: Did you get involved in the equivalent to trade complaints? For example, Xerox wants to set up a factory there, and they're finding that they're being… or some firm wants to get in there and sell goods. Did that hit you?

LANGE: One of the specific issues during this period was a countervailing duty case that was brought against Chinese textile imports, one of the pressure points in the trade relationship. We had a textile agreement that provided for a certain growth factor. But it was easily foreseeable by the late '70s and early '80s that this was going to be one of the really difficult trade areas because they can produce so cheaply, and because on our side we had such a vociferous and effective lobby to protect domestic textile manufacturers. This was kind of an imaginative filing on the part of the textile lobby. It was based on a notion that Chinese textiles were being sold in the U.S. for less that "fair market value," and that compensatory, or "countervailing," customs duties should therefore be imposed. It was a complicated and difficult case to make, requiring calculation of imputed costs, for example, and the factual part of it depended to a significant degree on advice to the industry from a retired foreign service officer who'd served in China in the late '70s – early '80s. He became convinced that Chinese textile exports to the U.S. were vulnerable in this area. This was primarily the province of USTR and the commerce department, but all of us concerned with China economic affairs spent an awful lot of time on the case. The Chinese had no understanding of our process, and they refused to get engaged in the case, other than to exhort us diplomatically to direct that the case be dropped. The countervailing duty case had broad implications for imports from China across the board. It would have effectively provided another tool for keeping Chinese imports out of the U.S. market, but it eventually failed.

I mentioned high-level visits. One of those was by the Chinese premier, Zhao Ziyang. That was really our first high-level official visitor from China. Deng Xiao-ping came in 1979, but he had no official government position at the time. Zhao came in January 1984, and the visit was quite successful. Zhao was one of the real architects for the China economic reform, and he was a practitioner as well. He was imaginative; he thought outside the box. He had been very successful as a party secretary in Sichuan, China's most populous province, which now has over 100 million people. As it turned out, he was

a little too imaginative and political. His downfall was one product of the Tiananmen Square episode in 1989. He was evidently in favor of hearing the students out, but he was in the minority. The leadership's position was, "We've heard enough from the students; let's stop this now, before they become a threat to stability." Zhao Ziyang, who did not sign on to the decision, has ever since effectively been under house arrest. But his 1984 visit here was quite successful.

It was followed a few months thereafter by a visit to China by Reagan, which, as you can imagine, consumed us for months in preparation. I guess the single most dramatic outcome of the Reagan visit was that the White House insisted and, somewhat to our surprise, prevailed in getting Reagan access to live TV in China. This was a big deal; he wanted to address the Chinese people directly. And that has since been a necessary component of presidential visits to China. During Clinton's visit in '98, a lot of planning revolved around opportunities for communicating directly with the Chinese people.

In 1983-84, tech transfer was a huge issue. High tech exports were controlled through COCOM – a coordinating committee made up of developed exporting countries.

Q: It was basically there to prevent technical goods of military value from getting into the Communist orbit.

LANGE: That's right, and this was, since we had customarily been more restrictive than other countries, an effort by us to get everybody together to agree on what those standards should be, particularly for so-called dual use items, that is things which are imported for non-lethal use but can have military applications. The classic example is a supercomputer, which is used for weather profiling and prediction but can also be applied to nuclear weapons design. There are many others, and this effort to coordinate standards and approach when everybody's out there competing and trying to sell is very difficult. We created a separate category for China, to reflect their difference from the Soviets in terms of both their capability and their apparent threat. So we, along with the Europeans, tried to create different standards to apply to our exports to China. One of my officers – one year it was Richard Boucher, another it was Steve Schlaikjer – spent virtually all his time on this issue of tech transfer.

Q: Richard Boucher, he's now the spokesman for the Department of State.

LANGE: That's right, his last assignment was consul general in Hong Kong. Back to 1983: We were negotiating an investment protection agreement with China. That never got done. It's still resurrected fitfully, but we never have signed an agreement with China, because the fundamental approach to something like the protection and treatment of investment, and all of the structures that support an investment climate, is just so different that it has proved impossible so far to bridge the gap. The other factor is that there's plenty of investment that goes into China anyway without an investment agreement. So there's limited pressure on our side or on theirs to get one done.

Another issue was civil aviation. Pan American had service to China at the same time that they wanted to resume service to Taiwan. Northwest wanted to come in as a second carrier, while retaining its service to Taiwan, where the market was strong and growing. That was very difficult to work out, to ensure that there was no discrimination against Northwest in terms of its access to the China market because it had service to Taiwan. Particularly in those early years of our relationship, Beijing was extremely sensitive to anything that had to do with Taiwan. Beijing tried to apply pressure to companies to pull out of Taiwan, but that has largely failed. Boeing sells both to Taiwan and the mainland. Carriers serve both places. I think that's one of the successes of our policy, that we were able to separate to a large degree commercial activity from the political. We framed it as economic relations with the "people of Taiwan". Much as Beijing would have liked our cooperation in raising economic pressure on Taipei, we could not go along with it.

Q: Well, what were you doing? Were you giving ammunition to the Special Trade Representative or were you dealing with the Chinese through the embassy on these things? How did it work?

LANGE: In the case of civil aviation, of course, that's one area where the department has retained primary negotiating responsibility. So in that case we on the desk worked very closely with the airlines and with EB (Bureau for Economic and Business Affairs), which negotiates these things, to ensure that we didn't compromise any of our basic principles in negotiating with the Chinese. Sometimes the airlines were almost desperate, and they may have been tempted to make a calculation - should we give up Taiwan because in the long term the PRC is the larger market? I think we helped give airline management the backbone to resist any inclination to give up on rights to Taiwan.

Q: Well this reflects in a way a battle we'd gone through for a long time on the Arab boycott of any American business dealing with Israel except there the political clout was such that no American company could go along with the Arab boycott because of some domestic repercussions. But you didn't have that particularly in the China thing, did you?

LANGE: Not exactly, but domestic considerations were definitely a factor. There was always the potential that you'd have this domestic backlash if it were seen that we had pressured or encouraged a company to acquiesce to PRC political pressure and give up commercial activity in Taiwan. I think the danger of that happening is very low.

Another issue at the time of the Zhao visit was a grain trade agreement. China had undertaken to buy six million tons of wheat a year, but they didn't meet their commitment. Other exporters were offering competitive prices, and China's crops improved. They just didn't need to import as much as they had in years previous. Even though we were working against market forces, we had to keep up the pressure on the Chinese, and it was an irritant in the bilateral relationship.

Yet another issue was peaceful nuclear cooperation. China wanted our nuclear power

technology, and our companies wanted badly to sell it. But we needed an agreement to deal with the non-proliferation issues. It was a very difficult negotiation, pitting the requirements of our Atomic Energy Act against their pride and notions of national sovereignty, and given our concerns about Chinese relationships with nuclear programs in Pakistan and other countries. An agreement was signed in 1985, but the president did not forward the necessary determinations to Congress, a requirement for implementation, until late in the 1990s. As far as I know, there hasn't been any actual transfer of nuclear technology or materials.

After the Zhao Ziyang to the U.S. and Reagan to China trips, a third big visit that we dealt with during that period was the visit to the U.S. by the Chinese president, Li Xiannian. The part of that visit that I was more closely associated with was one of his vice premiers who came along, Li Peng, who later became premier. Li Peng was well known to us because he was not then, and has never since been, very friendly to the U.S. He's a Soviet-trained engineer. He had a sharp tongue, very acerbic, obviously never liked us very much. He was a key figure in the management of the Chinese economy. We saw this as something of an opportunity - it was his first and until now only visit to the United States - to open his eyes and perhaps give him a different perspective. So we gave him a separate program after Washington. Strangely enough, one of the key movers in this special program was the Corp of Engineers. Why the Corp of Engineers? Well, at that time, planning for the so-called Three Gorges project had reached the point where the Corps felt that there was a possibility for the Corps and U.S. business to get involved.

Q: It was a huge dam basically.

LANGE: A huge dam project on the Yangtze, which had been conceived decades previously, but was and is such a massive project, with so many pros and cons to weigh, that it had never gotten off the planning table. It is now in construction, and it's very controversial.

Q: Its environmental impact--

LANGE: Environmental impact, population displacement - you're talking about moving one million people, which is mind-boggling and quite inconceivable in any other country. There are endless arguments about the costs and benefits, in terms of hydroelectric power and irrigation -

Q: And flood control.

LANGE: That's right. In any case, Judge Clark, who had been Reagan's national security advisor…

Q: He'd been undersecretary of state, then moved over to security advisor, then moved over to a Cabinet position.

LANGE: He was out of the Cabinet by this time, but he was still clearly an *eminence gris*, or at least people assumed he was still close to the president, which in Washington is nearly the same as *being* close to the president. He was urging the Corps of Engineers and the Interior Department to mount a really major campaign, directed and coordinated by the Interior Department, to get a piece of the business from this project.

Anyway, the Corps' involvement tended to shape somewhat Li Peng's program, which included a visit to part of the Mississippi lock system in Illinois and Boulder Dam in Nevada. The visit to the lock system was all right; the Chinese were duly impressed with the volume of barge traffic on the Mississippi. Boulder Dam, however, gave Li Peng an opportunity to exhibit his well-known sarcasm. At a meeting after touring the dam, he asked bluntly, "What exactly is the point of showing me this 50-year old technology?" This is not the sort of thing you want to hear from a high-level visitor that you are trying to impress. This was after they pulled out all the stops, with ruffles and flourishes, but he professed not to be impressed, and I guess he wasn't. Similarly, there was a visit to a nuclear power plant under construction near Chicago, which was idle. Construction had been held up by a court case for a couple of years or so. At the conclusion of the visit, he said, "In China, when we decide to do something we do it. We don't wait around for a court case to clear." I don't think he said that for effect. I think he was genuinely puzzled. He really didn't understand why we thought our system was superior to theirs, because theirs got things done. Another visit in his program failed to impress. A Ford plant outside Chicago really was a throwback to an earlier era. It looked to me like something out of the '20s or '30s. It was poorly lighted, and the workers didn't manage to convey any sense of engagement or efficiency. At the end of this tour, one of his accompanying vice ministers said with some apparent irritation, "I've been to Japan where they've shown me modern factories. Why are you showing me this?" Though it is hard to say, the irritation may have been real, not feigned. Remember that the background was our limitations on technology transfers to China. He may have believed we were purposely showing them a second-rate factory. In reality, of course, this old factory simply fit into the schedule, and in truth it probably was representative of a mature industry.

As you know, planning for a visit like this incorporates several objectives. I think for political reasons, the White House had decided early on that Chicago was one of the preferred stops, so that becomes one of the determinants of what you can do. What can you arrange in the vicinity of Chicago? And given that this vice minister's special responsibility was automobiles and that we had U.S. companies that were interested in getting into the automobile production business in China, this factory visit fell into place; you wanted to show him something. As for the nuclear plant visit, there weren't many - I doubt today there are any that are under construction - in that day there were darn few. So we had to show him what was available.

Another visit was to the Board of Trade, also in Chicago. I don't know if you've ever been there, but it's apparent pandemonium. Buyers and sellers of commodities such as grains, pork bellies, etc., are shouting orders back and forth and are clearly on the emotional edge. I just looked at it as good theater and as an intense expression of the

market at work. As we were about to leave, another of the vice ministers who was on the trip characterized the scene as an example of inhuman exploitation. He reacted to the human dimension of what was going on on the floor, where people were yelling in one another's face and building up lots of stress. Incipient ulcers are what he saw, I guess. He may however have been predisposed to be negative, because he was the one who blew up on the way in at some poor Secret Service guy who didn't see his special access lapel pin and tried to search him. He went into high dudgeon, a classic affronted Chinese dignity act, and the Secret Service supervisor had to offer an abject apology. The incident illustrated the difficulty of divining what these Chinese officials were actually seeing and thinking. Was he genuinely upset by his treatment or what he saw on the trading floor, or was he scoring political correctness points in front of his colleagues?

The final episode I wanted to mention out of that trip with Vice Premier Li Peng was a stop in Silicon Valley. We visited two or three companies, and then concluded with a meeting with overseas Chinese students at Stanford. We gathered in an auditorium; there must have been about 100 of them, almost all in post-graduate study. Some were restrained and didn't want to say much. Others made some pointed observations, contrasting conditions in the U.S. and China. At this point, Li said, "Look, we recognize that some of you coming to the U.S. for study will be seduced by materialism and consumerism, and you won't want to go back to China. That's fine; we don't want you back." This was obviously not a politician in our sense of the term, but he was a very successful politician in the Communist Party context. I daresay he must have convinced 10 or 20 in the audience who were wavering, "Okay, I guess we will stay in the U.S." It just seemed very ill advised for him to say something like that to a group of Chinese academic elite, but he is a dedicated communist and Chinese nationalist, and he apparently calculated that China was better off getting back dedicated, uncontaminated nationalists, even at the cost of some brain drain. Today, of course, these academic elites can pursue their materialistic dreams in China.

Li Peng went on to become premier. Given his reputation as a hard-liner and, later, his supposed role in the Tiananmen Square events, he never got an invitation to the U.S. as premier, and that was a little awkward at times. Like others in the Chinese leadership, he must have had a deep ambivalence about China's course. He was picking his way and trying to somehow find a balance between a market system and opening up to the outside on the one hand, and the state dominated system he was accustomed to on the other. This did not apply only to Chinese in the leadership.

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Poland, 1986-89: The End of the Communist Era

Q: Well, in '85, when you left the China desk, where did you go?

LANGE: I went to language training – Polish – for ten months.

Q: How old were you at the time?

LANGE: Well, let's see - '86, I was born in '37. I was nearly 50.

Q: It gets harder.

LANGE: It gets a whole lot harder! It was certainly harder for me. I found it a difficult language, and I think there's agreement that objectively, it's a difficult language, not only for me.

Q: In the Slavic language range, it's up near the more difficult as opposed to Bulgarian or Serbian, which are down toward the bottom. And then Czech and Russian fit in, and then I think Polish is about the top.

LANGE: One of the most difficult. I never quite got on top of it, and I never got above a 2 or 2+ proficiency rating. I could struggle along, but I found myself searching for people who could speak English. There were a lot of them. Most educated people in Poland could speak English. Some could speak German or French, but an awful lot of them could speak English.

Q: When you were in Poland in '86 -

LANGE: '86-89.

Q: What were you doing?

LANGE: I was the economic counselor.

Q: So you were obviously in Warsaw?

LANGE: Right.

Q: Poland in '86, what was it like?

LANGE: Well, this was five years on from the beginning of the Solidarity movement. Intellectual life was very dynamic. There was a lot of political ferment. Poles had never been comfortable under the domination of the Soviets. I don't think anyone there or here could see what was coming in '89-'90 in the Soviet Union. So the national effort in Poland was to find a *modus vivendi* with the Soviets that would permit the maximum autonomy and range of movement for Poland. Economically, it always had been a mixed bag. In the early post-WWII years, there was an attempt to collectivize farming, but this failed. Farming remained in private hands. In my work in the economic section, we dealt a lot with the agricultural sector and trying to support expansion of private activity in the agricultural system.

Q: How did we do that?

LANGE: Well, there was an agricultural project that was connected to the church. One feature of Polish life is the close association of its national identity and the Catholic Church. Particularly with the term of Karol Wojtyla, the Polish pope, and his identification with the Solidarity movement, it became even stronger, but throughout the whole period, the Church was very important as an anchor of national identity and moral support for resistance to Soviet domination. Interestingly, church membership and participation has, since I left, fallen way off in Poland. I'm sure this fits into some sort of general model of political science that institutions thrive in periods of shared endeavor and threat but suffer from indifference when there is not this shared danger. Anyway, the church agricultural project enjoyed a lot of support in the U.S., including on the Hill, and eventually there was an appropriation of 10 million dollars for the project. We would identify activities such as financing programs that would help to support private agriculture in Poland. It was economically tricky because while Polish agriculture was private, it was also pretty inefficient, partly because holdings tend to be so small. We have the same dilemma in this country of course. The most efficient operations tend to be corporate and large scale. Small, family-run farms that are under-capitalized are very difficult to make efficient and profitable.

One of our other preoccupations was the problem of Polish debt. Over the years, they'd borrowed a lot in international markets and were from time to time unable to repay. Working with IMF and with private banks, we spent a lot of time working on rescheduling their debt, and this was always painful, trying to get official bankers and private bankers to reschedule the payments due and to avoid the acknowledgment that ultimately, their loan is not ever going to be repaid. So, that took a lot of time and effort as well.

Another of our jobs was to find uses for excess zlotys. We had over the years, provided agricultural commodities of one sort or the other to Poland, and this had generated zlotys, the national currency. These holdings had built up to sizeable amounts, and they were losing value as the zloty lost value against other currencies. So there was an incentive to find uses, to spend the zlotys while they were still worth something. One of the projects provided funding for Project Hope, which was building a hospital outside of Krakow. The problem was that the schedule of the project was such that the zlotys, as their value eroded, were going to run out before the project was finished. This took a lot of work, with Project Hope trying to get the project done as we pushed the Polish authorities to kick in counterpart funding.

Poland was a popular place to visit for American political figures. They were always assured of a good enthusiastic reception in Poland because America was truly popular.

Q: Chicago is the second-largest Polish city.

LANGE: Right. That connection plus, particularly in the '80s, we were seen as the

lifeline for the Solidarity Movement and Poland's bulwark against Soviet domination.

Bush the father visited as vice president in 1987 or 88. We went trough the usual exercise in preparing for a visit like that. I did learn however of one difference: Advance people for a vice president are less experienced – private citizens who are brought in from around the country to help prepare a particular site visit. Every visit like this generates its share of anecdotes. One of the requirements was to visit a farm. This made political sense because of our sentimental attachment to the private agricultural sector. But for the visuals, this also had to be a "traditional" farm, which in practical terms meant at least one thatched roof. It proved very difficult to find such a farm not too far out of Warsaw. We eventually found one, though the thatch on the barn didn't bear close examination as it was obviously rotting and falling apart. The neighbors were totally puzzled as to why we would pick this farm, which in their eyes was backward and a failure. We nevertheless forged ahead, and it required the usual choreography and preparation. One of my junior officers was the site officer for this thing, and it was his job to ensure that the chickens were pecking and clucking at the appropriate time, when the motorcade came in, people alighted from the cars, and the cameras were rolling. So he befriended one of the kids at the farm site, and the kid's job was to corral the chickens and make sure they were deployed at the right moment. He put a lot of rehearsal time into "cueing the chickens." As it turned out, the chickens blew it. They were properly cued, but their chicken wills somehow propelled them in the opposite direction. That wouldn't have been allowed to happen on a presidential visit. The rest of the farm site event, including a just-folks conversation at the kitchen table, was successful.

Bush came back as president for a visit to Poland in June of 1989. By that time, I had a new assignment, which was as DCM in Malta. So I came back to Washington and took the DCM course, then went back to work the visit in Poland.

Before going on to the Bush presidential visit, let me mention a particular congressional visitor. There were a number of congressional delegations, but I remember Dan Rostenkowski in particular, though not because of what he did there, which was to open the U.S. pavilion at the Poznan trade fair.

Q: He was a Chicago congressman at one point, with obviously Polish background.

LANGE: That's right. Chicago was said to be the second largest Polish city after Warsaw. Dan Rostenkowski was then the powerful chairman of the House Ways and Means Committee. His was in some respects a typical American second or third generation experience. His adult daughter was along, and I asked her about her surname, Rosten. She told me that while she was growing up, it was the practice to shorten and Americanize Polish names. Then at a certain point, it became politically advantageous for her father to reclaim his Polish name, but she just retained Rosten. The congressman knew a few Polish dishes but could not speak or understand Polish. I met a large number of people of Polish ethnicity who returned to Poland and knew almost nothing about their families or their background. Perhaps the war had something to do with it too. I'm sure a lot of them

lost people in the war.

Q: Well, sometimes it skips a generation. It's the kids later on who want to pick it up and find out more about it.

LANGE: I guess so.

Q: And also, the majority of people who left were probably of peasant background. And they're not sitting around contemplating their grandfathers' navels or something like that. They're getting on with their life, and they don't have time to keep those ties.

LANGE: Well, that's true. Many Polish-Americans have roots in southern Poland, from which their ancestors had emigrated for economic reasons.

Q: Did you find, in your work, were you hit with Polish-American businessmen who'd come and say, "Gee, I want to do something for my native land, and let's set up a barbecue company here." You know trying to do things of that nature.

LANGE: There was some of that. Certainly some businessmen who had Polish background were interested in doing business not for purely business reasons. But the connection was much less important than Chinese-Americans doing business in China, for example, where language and culture are probably more important; that is, European-American culture is closer to Poland than it is to China. Yes, there was some of it, but not a great deal.

One more thing about Poland. 1989 was sort of the culmination of the political transformation of Poland. You may recall that in 1988, I think it was, roundtable discussions involving Solidarity and the government/Party had begun. Solidarity just wore the Party down, and of course they were creating objective problems with waves of strikes and so forth. Ultimately, the authorities agreed to an election. It was quite a dramatic experience. My colleague Terry Snell was political counselor at that time, and he spent much of his time covering the so-called roundtable process. On the 4th of June, 1989, just before I left for Malta, the elections were held. I have a great poster – a near life size figure of Gary Cooper in "High Noon". In Polish, it said simply, "High Noon, June 4," which Solidarity and its friends clearly saw as the time for them to make their move and run the bad guys out of town. I walked around the city during election day, visiting polling places, and they were very active. Solidarity had set up tables outside polling places everywhere. The Communist Party rank and file had by that time essentially given up the ghost. They were not doing any campaigning outside the polls. Their version of campaigning was to take bundles of leaflets - and of course their printing presses were still churning stuff out - load them in cars and dump them out in the street, sometimes still bundled together, as they drove around the city. They made no attempt to convince people face to face. That was very tangible evidence of the beginning of the end of the Communist era, and it was exciting!

Q: Going back to while you were there, was martial law still on? In '86?

LANGE: No, martial law was lifted in 1982-83.

Q: Well, anyway, how did we view Jaruzelski at the time? In terms of key meetings and all, what was the feeling about him?

LANGE: He was an enigmatic figure, and I think he remains so to some extent today. He had given the order to crack down on Solidarity in 1980 and had declared martial law. At the same time, his parents had perished in the Soviet Union during the war, and his own story was, and remains today, that he had acted in 1980 as a patriot. That is, he did what was necessary to avoid armed intervention by the Soviet Union. Some will never believe that, but I think that it is possible. I think that the view of Jaruzelski within the country was that whatever he did in 1980, whatever his motivations were, what he was trying to do was preserve the Communist Party and its command of politics in Poland, and this was not the popular will. The popular will was represented by Solidarity. The ambassador, John Davis, spent a great deal more of his time with Solidarity and the opposition than with the established government. I probably had more contact with government figures than other people in the embassy because I was dealing with the economy.

Q: What was your impression of, were the officials dealing with the economy in Poland, were they sort of a different breed of cat than they were before? Were they pragmatic or were you up against ideologues?

LANGE: It was a mixed bag. You had the ideologues who had come up through the Party ranks, and they couldn't think but one way. This in fact was one of the issues we faced in rescheduling the Polish debt. Did we want to reschedule these debts and help thereby to strengthen the party in power? Or was it better to allow things to drift toward default, with all that that implied, and let the system come crashing down? That was one of the philosophical issues that surrounded rescheduling. Coming back to Polish officialdom, you tended to find more intellectual flexibility on the part of academics, many of whom now have government positions. But even in government, I had contacts ranging from people who were dyed-in-the-wool Party operatives to very sophisticated people who worked in the World Bank here, for example, and had gone back home and were really trying to do the right thing. So there were tremendous tensions within the Polish system, reflecting this range of attitudes and approaches.

Q: Did you see any problems or reverse sophistication on the part of the Solidarity movement toward the economic side? Did economics play much of a role in Solidarity?

LANGE: Yes and no. Solidarity of course started as a labor movement and became a political movement. So economics was not a core organizing principle of Solidarity. We had a very close relationship with a Solidarity economist named Withold Tzecziakowski, a charming gentleman with an interesting personal history. He had studied as a concert

pianist, and during an allied bombing raid near the end of the war had suffered the loss of one of his fingers. So he had to give up being a pianist and became an economist. He was one of the two leading Solidarity economists. But even when Solidarity took over the government, I don't think he ever had a government position, possibly because he was already well along in years. Economists in Solidarity reflected a range of economic approaches. This is understandable, since what brought them together was not economics but the politics of opposition. For all of them, Polish nationalism was more important than economic theory.

Anyway, as I mentioned I returned from the DCM course back to Warsaw to work for President Bush's visit in the summer of 1989. When I left to take up my new post in Malta, I congratulated myself that I would, for the next three years, be insulated from high-level visits. Little did I know.

Q: Okay, we'll pick this up with 1989, you're off to Malta.

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Malta, 1989-92: Bush-Gorbachev Summit; Pan Am 103

Today is August 7, 2000. Howard, we're at 1989, you're in Malta. You were in Malta from 1989 to when?

LANGE: 1992.

Q: Okay. So you were off to be in a place that nobody had ever heard of or cared about since World War 2.

LANGE: Right, with a couple of exceptions. For years during the Cold War, the Maltese Labor Party prime minister, Dom Mintoff, made a career of playing off the Soviets against the Americans. He was something of a thorn in our side, and he held office from 1971-84. Then, there was a dramatic incident that took place in 1985. A hijacked EgyptAir plane landed in Malta and was eventually stormed by Egyptian troops. It ended badly, with considerable loss of life, including some Americans aboard.

Q: Who was the ambassador there?

LANGE: The ambassador when I arrived was Peter Sommer. Peter he was not a foreign service officer, but he had had some assignments in government including in the National Security Council. We just overlapped for about two months before he left. His successor, nominated about the time I arrived, was Sally Novetzke. She was Iowa State cochairman of the George Bush for President Committee in 1988, and as she put it, she was one of George Bush's 500 closest friends. She had never imagined that she would have an ambassadorial appointment. What she really wanted to do was in the field of tourism or something like that in the Commerce Department in Washington, but that was not

forthcoming, so she took the ambassadorial job.

Before she arrived in September of that year, there was the celebration of the 25th anniversary of Malta's independence from Great Britain, which called for a presidential delegation. They put on a big show in Malta. It turns out that the principal representative for the United States was President Bush's brother William, known as Bucky, who was in the private sector in St. Louis. He and his wife Patty, plus former Ambassador to Malta

Bruce Laingen – he was charge in Tehran at the time of the hostage crisis – constituted the U.S. delegation. This delegation probably had some relevance to the later selection of Malta as the site for the Bush-Gorbachev summit in December of 1989. At some point after Sommer had left and before Novetzke arrived, while I was charge, I got a call in the dead of night - 3:00 am or 4:00 am, something like that - from the Department's Jeannie Bull, whose name is familiar to many who have worked presidential visits. She was responsible for securing hotel rooms for big events.

Q: That's probably the most important job of them all!

LANGE: That's right! I had followed with moderate interest the discussion in the press about a U.S.-Soviet summit that was going to take place aboard ship somewhere in the Mediterranean. As soon as I got this call, even in my sleepy state, I knew the fat was in the fire. Ground zero was Malta. I wish that I could say that I was honored or that I looked forward to a momentous event, or even that I was excited about a career-enhancing possibility, but at that moment, with the Bush visit to Poland that summer fresh in my mind, what I felt was dismay. Not surprisingly, the White House hadn't worked out any of this with the Maltese. None of us knew for sure the dimensions of what was to come. All I knew at that point was that I had to secure 400 hotel rooms, hopefully in concert with the Soviets because they would also need accommodations. At the opening of business in the morning, as Jeannie Bull had alerted me, we had telegraphic instructions. I contacted the Soviet ambassador, who hadn't heard a word from Moscow about Malta as the site of the summit. He agreed that perhaps we should make a joint approach to the government that morning on the subject of hotel rooms. But he played a very passive role in the meeting with the Maltese. Understandably, he wasn't going to get ahead of instructions from Moscow. The Maltese quickly agreed that they would do what they could and started immediately pumping me for details, which of course I didn't have. All I had was the demand for room reservations.

It often falls to us in the foreign service to support these affairs, and we've become familiar with the drill. The White House demands everything without offering anything in return in the way of hard cash or deposits to secure these rooms, or any schedule on when people would be arriving. The number we demanded turned out to be wildly exaggerated. Host governments in places like London or Brussels are used to this, but it took the Maltese a while to wake up to what was going on. On the receiving end of a summit, this travel agent function – getting hotel rooms, making sure X is available at Y at the right time, and all that – is perhaps our most important function.

One day before my new ambassador arrived, the summit survey team arrived, headed by a gentleman by the name of Sid Rogich. Rogich was in real estate in Las Vegas. Perhaps there are other countries that turn high-level visits over to political operatives, but I don't know of any. Rogich's Maltese counterpart, and my principal contact for planning, was the prime minister's secretary, a fellow by the name of Richard Cachia-Caruana. He was very able, educated in Britain, one of the Maltese elite. The Maltese did everything we called upon them to do. Once they realized that it was not going to be offshore as originally announced, but rather within reach of TV cameras and the media, which meant somewhere in harbor, they were all for it. For symbolic reasons, the summit was still to take place on the respective warships, the meetings alternating between one and the other. The Maltese wanted the meetings to take place in Grand Harbor, which is a beautiful, deepwater harbor with impressive historic resonance. Mariners have used it for centuries, going back to the Phoenicians, and since the Knights of Malta (more properly, the Sovereign Military Hospitaller Order of St. John of Jerusalem, of Rhodes and of Malta) constructed their fortified city there in the 16th century, the sheer walls and bastions afford great views, wonderful overlooks, great visuals. But the Secret Service nixed the location. The angles were too great looking down; they thought it was unsafe. So they went instead for a location on the Southern side of the main Malta island, a harbor by the name of Marsaxlokk, which is also very nice and picturesque. It's more open, it's broader and doesn't have the same sort of dramatic overlooks that Grand Harbor does. The logistics would be only slightly more complicated because the entire island is not all that big.

We bundled the survey team into a van and went over to Marsaxlokk Harbor to check the layout. One of the first routes we took gave some elevation above the harbor. At a certain overlook, we all piled out of the van and Rovich got out and immediately did the director's thing – framing the view with thumbs and forefingers. Richard, the prime minister's secretary, later told me, "As soon as I saw that, I knew it was all over" as far as the Maltese having any impact on the summit. Richard was a fast learner.

So things started rolling ahead. The Secret Service had an overwhelming presence, as it always does, in terms of numbers and assertiveness. They're extremely demanding and in places where these visits take place with some frequency, in Europe for example, people learn to cope with this - they push back. The Maltese were babes in the woods, so they didn't know when they should push back and when they shouldn't. I mention this because it becomes relevant later in the story, during the phase after a high-level visit when someone has to sweep up the broken crockery.

One of the issues from our narrow point of view at the embassy there was the relationship of this summit to the host government. What the White House was really interested in, rightly of course, was the relationship with Gorbachev and the Soviets. Malta just provided a venue. William Bush, who as I mentioned had been there a couple of months earlier for Malta's 25th anniversary of independence, had probably whispered in brother George's ear that this was a really neat place to have a summit, and one supposes that is the reason it blew up on our shore.

I have to take a brief excursion to explain the Maltese political scene. It's a tiny place; the population is about 300,000. Party affiliation is almost evenly split between the Labor Party and the Nationalist Party. The Labor Party has historically not been very friendly to the U.S., or perhaps I should say it has been "aggressively neutral".

Dom Mintoff was prime minister for 13 years and developed into an art form the practice of playing off East versus West. The Americans against the Soviets; the Soviets against the Chinese. It seems he used or tried to use every relationship in one way or another. But Labor had been voted out in 1987. In Malta, the electorate is so evenly divided that a party generally prevails by only one-half to two percentage points. They have an incredible participation rate: Voting is not mandatory, but typically 95-96% of people vote because it's damned important to them who gets voted in. They have a highly developed spoils system. People can lose their job based on the outcome. The Nationalists won by a typically narrow margin in 1987.

In 1989, the Labor party suspected the Nationalists of engineering a Malta summit in order to boost their own prestige and future political prospects. So the Laborites were very negatively predisposed toward the summit, and had planned demonstrations against what they viewed as a cynical ploy by the Nationalists to curry favor with the U.S. and the West. That was all the White House planners had to hear. Negative demonstrations always make good TV, but that was the last thing they wanted, especially when the summit was not even about Malta. So the notion that Bush should not come to the prime minister's office for a meeting quickly took root in the advance team. Was the White House going to insist on just a five to ten minute handshake meeting at the airport, or would Bush travel the 15-20 minutes downtown to meet the prime minister, Eddie Fenech-Adami, in his office? This was of course of considerable symbolic and political importance to the prime minister. For a couple of weeks, the White House advance team held firm against the office call, and the issue was in doubt. While the issue was framed in the language of security, I believe that the principal concern was political – the visuals and how they would look back home.

Q: Were you and you ambassador pushing a different thing?

LANGE: Oh, yes! We thought it was important to have the meeting in the prime minister's office because here was a government that was finally friendly to us after 17 years of Labor. Were we going to slap them in the face and give the Labor Party ammunition for the next election? It seemed of some importance, even to the U.S., even in Malta, to have the meeting in the prime minister's office. I have to say - and I'm no advocate of political ambassadors in small posts - that this is one time where it was probably useful to have an ambassador whose name was at least known in the White House. She, Ambassador Novetzke, commented two or three times, "If George knew what was being planned here, he would make the right decision and meet the prime minister in his office." She was unfamiliar with State Department structure, and she was reluctant to go out of channels, but at a certain point it became clear that the only thing

that was going to turn the thing around was if she was able to establish a direct connection. I am a lifelong chain of command guy, but I encouraged her to do it. She managed to talk to the President for five minutes on the telephone and he immediately decided to come to the prime minister's office. It was obviously the right thing to do. The meeting did take place in the prime minister's office, and it was a great success. The bleak scenarios – demonstrations, security threat, really bad news – all melted away. The event was so popular among the Maltese that even the Labor Party stalwarts couldn't find it in their hearts to organize a meaningful demonstration against it.

A footnote of diplomatic history: The summit came so soon after Ambassador Novetzke's arrival that there was no opportunity for her to present her credentials to the Maltese president before the meeting with the prime minister. Technically, she was not yet accredited to Malta – was not officially the ambassador – but I don't recall that the Maltese raised any objection. The Maltese set some store by ritual, but they are also pragmatists. There was of course no way that we were going to let this breach of protocol stand in the way of her presence at the meeting. A few members of the diplomatic corps sniffed about it afterwards, but there wasn't any meaningful fallout.

Q: Were you able to talk to the Labor people about the demonstration and say, "Hey, come on fellas...?"

LANGE: Not at that time. I'd been there just a short time. I had made my calls on the Labor Party, but I didn't know any of these people personally and they didn't know us. Some of them, probably most of them, genuinely believed that the Nationalists had engineered this, going back to the visit of Bush's brother, that the Nationalists had put a bug in his ear and had convinced him. Of course the world revolved around Malta!

Q: Well if you look at it as the Mediterranean is the center of the world, and Malta is its navel.

LANGE: So of course it logically follows that the location for the summit was chosen solely to shore up the electoral prospects of the Nationalists. That was the Labor party's take on it, and their job was to open up the eyes of the Maltese electorate. They had read too much Machiavelli. It was rather difficult, even when I got to know them better, to discuss the real world with the Labor Party people.

The meeting in the prime minister's office was the extent of contact with the Maltese government at that level. After that, the President retired to the Navy ship, the cruiser Belknap. Then the wind came up. The Maltese told us later that if we had consulted them they could have told us that December is the worst time in the year to come to Malta, because you have one chance in ten there will be a really serious windstorm. And sure enough, we had a ten-year storm. One of the advance team's concerns was camera angle – insuring the best profile for the cruiser as it lay at anchor in the harbor. And to ensure the proper camera angle required fore and aft mooring. Mariners hate fore and aft mooring.

Q: Of course, because you want to swing and coordinate against the wind and tide and all that.

LANGE: Yes, and there wasn't a proper aft mooring at Marsaxlokk, so they called up a ship chandler from Italy - of course we had a large Navy infrastructure up there and an Italian contractor who performed these sorts of services - and got him to come down. I don't know what the expense was, but even the Navy guys said it was a lot. When you hear that from the military, you know it had to be expensive. The chandler placed what they call a first-class mooring, fixed to the sea bottom, in the proper location so there could be mooring fore and aft to insure the correct orientation for the cruiser; that is, a favorable camera angle. Later, when during the storm the wind reached a certain force and was not dead on the bow, they had to do what any mariner would do, which is to cut loose the aft mooring. The ship began to swing on the bow mooring, and one side effect was to put White House communications off the air for a time, until they adjusted to the new conditions. There was considerable angst about the President being out of touch, but this never got any play in the media. Perhaps it did come to the media's attention, or perhaps it was just not as newsworthy as it would have been in earlier years, when the threat of a nuclear attack was thought to be genuine.

The plan of having the meetings alternatively on the U.S. and Soviet ships warships never worked out. Given weather conditions, Gorbachev refused to stay on board their cruiser. I'd noticed earlier that the Soviets seemed much less concerned about securing hotel rooms than we were. The reason was that their solution was the same they'd use for the summit in Reykjavik: They brought in a passenger cruise ship, *Maxim Gorky*. That saved everybody's bacon: It not only eased pressure on hotel space for us, but this passenger ship, tied up at the dock, turned out to be the venue for the summit meetings. Bush insisted on staying on the Navy cruiser, even though the meetings weren't taking place there. This was another source of considerable worry because, as you can imagine, even in a protected harbor, the waves were pretty substantial. The cruiser was fairly stable, but of course the tender bringing the President back and forth was rising and falling 10-12 feet on the waves. They broke a few ladders bringing him back and forth, and of course there was some risk of injury.

Q: Plus the President had been a naval officer, and he was a sailor, and continued to be a sailor. And of course Gorbachev was from the inland of Russia, so what the hell is this all about?

LANGE: There was that. I presume that the president wanted to make some sort of statement for the U.S. public or the Navy, or both. The Maltese developed a very reasonable backup plan for staying at a secluded villa, but this was turned down by the advance team. It would have worked, but transportation, security and scheduling would have been more complicated, so Bush staying aboard ship made life easier for the embassy.

Another wrinkle to the summit was the issue of "neither confirm nor deny;" that is, our

policy to never confirm or deny that a naval ship is carrying nuclear arms. Sentiment against nuclear weapons was broad in Malta, not unlike in New Zealand, and it bridged both political parties. The Nationalists, however, didn't want to force our hand – they didn't want to push us as far as insisting on a declaration, because we had made it clear to them what our answer would have to be. We couldn't provide them with any assurance one way or the other. The Nationalists decided on their own to suggest, in a way that would not require us to either confirm or not confirm their suggestion, that they were reasonably sure that this was not a nuclear-armed vessel. One of the NSC staffers on the advance team thought we had to respond, but he was overruled. The statement worked: The Maltese got enough cover that they did not have to defend themselves to the Maltese electorate, but not so much cover that there was an issue for the United States to deal with.

Q: How about the Soviets? What kind of warship did they bring in?

LANGE: It was a guided missile cruiser, the *Slava*. It looked even more like a warship than ours: its missile launchers were much more evident in profile than ours.

Q: Ours were sort of enclosed, and the doors open when the time comes.

LANGE: Right. But the Soviet cruiser played no role, except that it, with the American ship anchored nearby, provided a nice tangible symbol of the meaning of the summit; that is, winding up the Cold War. The image, seen dimly through the storm, was effective, but an equally common TV and newsmagazine visual from the summit was the horizontal rain streaming past the window of the press center in Valletta.

I'd like to relate a final story on the summit. I mentioned that the Maltese tended to roll over whenever the Secret Service suggested something. There was dredging in Marsaxlokk Harbor in connection with a container port that they were developing there. The construction trade unions, and all organized labor for that matter, were virtually 100% Labor Party, and they were very effective at organizing their people. I heard of no specific plans, but the Secret Service suggested that was a security issue. The Maltese authorities quickly decided on their own to suspend dredging operations and to close down construction at the container port. Even before the summit was over, the Maltese started raising questions about how much this was going to cost, and as soon as I passed this on to anybody on the advance team, I got the classic, "We'll get back to you on that." A few weeks after the summit, the Maltese presented a bill amounting to about one million dollars, which I dutifully sent back to the Department. The Department was at first incredulous and dismissive, then eventually took the position that the Maltese suspended work on their own initiative and were now showing that they were poor hosts. I doubt that it was even discussed with the White House. Payment was a non-starter, and I had to tell the Maltese that we couldn't be of any help. The Maltese position was that this was something on which the Secret Service had insisted. I wasn't a party to the Secret Service meetings, but I have no doubt that they strongly suggested closing down the port project, as they always want the optimum security package wherever they go. Some

things they get, and some things they don't, but in the case of Malta, I believe that they got everything they asked for regardless of cost. I'm sure the Maltese learned a great deal about summitry. Unfortunately, their hard-won experience is probably useless: Another summit does not seem likely any time soon. As for the million-dollar bill, thankfully, it didn't come up again. Perhaps the Nationalists presented the bill just to protect their backside against Labor, with no real expectation of payment. Or perhaps it was presented at the behest of their lawyers.

The Maltese were in fact proud of their supporting role for the summit. In January 1991, I represented the U.S. at the prime minister's dedication of a monument at Marsaxlokk Harbor to the "End of the Cold War", and the part played by the Bush-Gorbachev meetings.

Q: Did the embassy get involved with the press and all that when the world press came?

LANGE: The Maltese set up a big press center at their Mediterranean Conference Center at the northern tip of Valletta, overlooking the Mediterranean. Our public affairs officer facilitated contact between the local authorities and the White House people and tried to get the White House what they wanted. The press was our primary competition for hotel rooms, and they put cash on the counter, whereas all we had were promises.

Q: Well, sometimes when you get the attention of the world press, they all encamp and they start nosing around the rest of the place only because they are only getting handouts anyway, so thought pieces on whither Malta and all that. How was this going?

LANGE: No interest. I don't remember a single article on Malta that was generated out of the Malta Summit. Some stories about the storm, but we didn't have any requests for meetings with the ambassador or myself.

Q: With the summit, obviously this was something that Bush and Gorbachev said, hey, how about Malta or something like that? Was there ever any consideration that Malta wasn't the right place and were they looking, was an alternative being buffeted about?

LANGE: Not to my knowledge. I don't know how they settled on a shipboard summit in the Mediterranean. As I've said, my speculation is that it was our idea, and that Malta was resting there in someone's frontal lobe, placed there by Bucky Bush's earlier visit.

Q: It was probably George Bush because he was a Navy man.

LANGE: Right. I'm sure the notion of Malta came from us, and as I say, the Soviet ambassador as of the morning I got the call hadn't even heard it was going to be in Malta. As far as I know there was never any question that it was going to be held there.

One other anecdote about the summit. I had just come from the Presidential visit to Poland, where Bush demonstrated that he genuinely had a regard for embassies and the

work of embassy staff. Perhaps this had something to do with his experience with the career service in China and at the UN. He certainly made an effort in Warsaw to meet the embassy staff; he seemed genuinely appreciative. So in Malta, the scenario was that Air Force One arrives at the airport and there's a transfer to a limo that takes Bush into town for his meeting with the prime minister. It was a logical moment for him to come over to the rope line, on his way to the limousine, and I thought I had this all arranged with the White House staff. I turned out the entire embassy staff, and it was a huge deal for local employees. We went out to the airport and stood behind the rope line, expecting that Bush would at least, if not come over, at least acknowledge us in some way. It didn't happen, and I lost some face with the embassy staff. It was symptomatic of the fact that Malta was just a place to have the summit. The summit was the big thing, the meeting with Gorbachev. From the cosmic point of view, it was understandable. From our narrow point of view at the U.S. Embassy in Malta, it was disappointing.

Q: Let's talk a bit about, we had gone through this difficult time with the Labor Party, who'd gotten rid of the British. I guess the British, with a certain amount of pleasure, had left Malta. They were dismantling their empire anyway. Did you find the Labor Party, was your impression that it was sort of like, in a way the left wing of the British Labor Party? Was this its genesis, extreme socialists almost communists, dislike of the West and capitalism and all of that. What were the roots of its stand?

LANGE: It was, as you described, classic Labor party. It was very heavily statist oriented, though some of the very worst economic problems they had on the island were not really the fault of the Labor Party, but rather to some extent a legacy of the colonial period. The shipyards, after all, had started out as components of Her Majesty's Navy, and they become in due course parastatal-run shipyards. They did wonderful work, and they had excellent facilities. They could bring in supertankers and work on them at dockside. But they were very inefficient, bloated and high cost. They represented the worst aspects, or perhaps I should say were the climax expression of a state-run organization or institution. The Labor Party sought to protect every last one of those jobs. At the same time, they took a decidedly neutral approach in external affairs, starting as I mentioned earlier with the East-West aspects of that, that is the Communist world and the West, playing one side against the other. They were very supportive of the South in the North-South debate. Finally, they were extremely critical of the Nationalist government approach to Libya. Libya was and probably always will be a problem for Malta because of its close proximity. Any government in Malta has to recognize that Libya is important to Malta, in one way or the other. The question is how that works out. I'll come back to this a little bit in terms of the Pan Am 103 investigation. The Labor Party approach to Libya was that it should be treated as a friend and that Malta should be supportive of Libya's government and its foreign posture. Nor did the Nationalists have any wish to antagonize Libya. We didn't appreciate this approach, to say the least, but it wasn't entirely unreasonable in the Malta context. It's a very small country; Libya is a large country. Libya has oil, and Malta gets a preferential price on oil from Libya. But the Nationalists were prepared to throw in their lot with Europe – the West. The Nationalists explicitly wanted to become members of the EU. The Labor Party thought Malta should remain as an associate member, not

become full member because that would compromise Malta's "neutrality."

I came away from my assignment in Malta with some views about non-career ambassadors in Special Embassy Program (SEP) posts. In the case of this political ambassador, as I have said, she really wanted another sort of job. All previous ambassadors had been career foreign service or, in the case of Peter Sommer, had had a number of government jobs. They were working ambassadors. They wrote reports, they made demarches, they did representation. Sally Novetzke was a great person, very likeable, and she presented a favorable public image for the United States. Of course that's important for any ambassador in a friendly country. But she had no wish to do reporting. She very much disliked making demarches, particularly unpleasant demarches. None of us liked to do that. I reckon that I made about 80% of the demarches that we were instructed to make. And she never quite accepted the full import of representation. She liked to have events with friendly people, and that's fine, but you know, particularly in an environment where there was just ½ percent of the electorate that separated those who were out and those who were in, that was not very far-sighted. She did not see the point in trying to relate to people with whom we had deep ideological differences. The long and short of it was that it fell to me to deal with the Labor Party, which was fine. I didn't mind it, in fact I kind of enjoyed it. I established relationships with a lot of people and I hope this paid off a couple of years after I left, when the Labor Party was voted back in, and the people I'd had to lunch and dinner were the prime minister and his cabinet. It was frustrating, and of course it added a lot to my workload, to be doing all the political reporting and demarching and at least half of representation.

There was some collateral damage. I found it difficult to give my full attention to the management side. For a variety of reasons, five different admin officers passed through Valletta in the space of two years, and the embassy did not fare very well on the admin side in an inspection. That reflected inescapably on me.

Q: Was she married? Was there a Mr.?

LANGE: There was a Mr., but he stayed home running his business. He came out a couple of times, but he found Malta massively boring. I think the longest he ever stayed was a week and a half. He was pretty much not there, and she was absent a lot too. I spent a lot of time as charge. She once put it in one of her evaluations of me that for some reason she was absent during crisis periods, and this did in fact seem to be the case, for example during Desert Storm or at a particularly critical time in the Pan Am 103 investigation. Anyway, it's a shame that this small post, which could use a career person to do the work and which could add to the pool of ambassadorial posts for career people, now seemingly has been lost to State.

I should add here that I have absolutely no complaints in personal terms. Ambassador Novetzke and I got along well, and working for a political ambassador no doubt benefitted my career in the short term. Malta was not exactly a posting that normally commanded much attention. She submitted a very favorable evaluation after our first six

months together, and I think that her name at the bottom, combined with the substance of the Malta summit, helped me over the threshold into the Senior Foreign Service.

I alluded a couple of times to the Pan Am 103 investigation. Pan American Airlines flight 103 broke up in midair and fell to earth in Lockerbie, Scotland, in December 1988. The investigation quickly established that a bomb was on the airplane, which was what brought it down. Early phases of the investigation focused on the Iranians. Speculation was that it was retaliation for our mistakenly shooting down an Iranian airliner a couple of years previously. The investigation went down various tracks. The Palestinians came on the screen briefly. They had a mission in Malta. The Libyans also had some grievances with us because in 1986 we had retaliated for the discotheque bombing in Germany by launching a bombing raid over Tripoli, and one of the bombs killed Qadhafi's adopted daughter. There was at the outset no shortage of potential suspects around the world.

Eventually, the forensic investigation, which was a really remarkable piece of work, zeroed in on Malta as one of the possible points where the bomb had been introduced into the baggage system. What led to this was the finding, at the crash site in Scotland, of some clothing fragments, which it was determined had been near the explosive device, probably in the same suitcase. The fragments were traced to certain garments, which were in turn traced to a manufacturer, and the manufacturer had sold those garments to a limited number of buyers. One of the buyers of those garments was a very small clothing shop in Malta. It happened that the proprietor of that shop had recalled selling several garments, including those in question, to some people that he remembered as having been from Libya. The Maltese language is Semitic, closely related to Arabic, although Maltese is written in a Western script. Spoken differences are also substantial, but they can make one another understood. In any case, the proprietor identified the buyer as Libyan, and serious investigation launched from there. The FBI sent some people to Malta who took up residence in an office of the embassy for over a year. This was an important part of the investigation, and we'll see a lot of this come out in the trial when it's finally kicked off in Holland.

The FBI identified one current and one former employee of Libyan Airlines as Libyan intelligence people. They acquired photos of these people and showed them to the proprietor in a photo lineup, and amazingly enough, he remembered these people and what they had bought. This established a key link. The theory, which will be tested in court, is that based on their connections at the airport through Libyan Airlines, they introduced a briefcase with the bomb, and a detonator with a timing device. That bag was loaded onto a flight to Frankfort where it was offloaded and transferred to Pan Am flight 103, bound for Heathrow and on to the U.S. This was at a time when there was a very tenuous, shall we say, control over unaccompanied baggage. It was supposedly impossible to put on unaccompanied baggage, but there seemed little effort to enforce that restriction. At any rate, the briefcase was transferred to Pan Am 103, which went on to Heathrow. The timing device was set to detonate when the plane was over water, in which case the evidence would have been unrecoverable. But the flight was delayed, so the bomb went off early in the flight, while it was over land. The timing device was

traced to a maker in Switzerland, and the purchase was supposedly traced to the Libyan intelligence service.

This was all very tricky to handle with the Maltese, for reasons over and above the usual sovereignty sensitivities of an investigation in a foreign country. First, they didn't want to appear to be siding with the U.S. and British – the FBI was pursuing the investigation jointly with the Scottish Police – in prosecuting or furthering this investigation, pointing a finger at the Libyans. Secondly, they were concerned about the effect that an image of terrorist operations could have on their tourism trade, which of course is important to Malta. It happened that the foreign minister and concurrently deputy prime minister, Guido de Marco, later to become Malta's president, had made his name as a defense lawyer. He was more than ready to exercise his cross-examination skills, particularly when we (that usually meant me) went in with a demarche related to the investigation. The Maltese eventually did the right thing, but we had a reluctant host government, and it was difficult to ensure their cooperation. Our intelligence agencies were, of course, interested in the investigation, which added another complicating dimension. I won't say more about this, but perhaps some of it might come out at trial. Finally, since it was a joint investigation, we had to do everything vis-à-vis the Maltese in tandem with the British government. It was not always easy to keep everybody on the same page and steer clear of the jealousies between the Scottish police and the FBI. But all told, it was a remarkable investigative effort.

Q: How did the Gulf War affect you? We're talking about when Iraq invaded Kuwait and this engaged the energy of both the United States and Europe.

LANGE: We had to deliver a lot of demarches on that.

Q: When you say a demarche, can you explain what you mean?

LANGE: We made representations to the Maltese government in the form of statements of our policy, and requests for information, action or statements of Maltese policy. In the case of the Gulf War, we had Security Council resolutions to back us up on the shipping of certain materials, particularly military materials, to Iraq. Some shipping went through Malta, and there was a lot of Maltese-registered shipping in all parts of the world. It was particularly the stuff that went through Malta that from time to time interested U.S. agencies. In making these demarches, we had to deal with the same defense lawyer, that is the foreign minister/deputy prime minister, de Marco. He applied a very strict legalistic interpretation of the Security Council resolutions, demanded elements of proof, and in general seemed to make it as difficult as possible to pursue questions regarding shipments going through Maltese ports. One should acknowledge that the Maltese government had to deal with the unions on the docks and the shipping companies, which were not always sympathetic to the Nationalist government, to say the least. So the Nationalists had their own fish to fry in terms of domestic politics. Basically these were not in themselves important episodes involving significant quantities of proscribed materials. They involved instead issues of principle, of assuring that all members of the Security Council were

abiding by the terms of the resolution. There was no instance in which there were any obvious violations of Security Council resolutions. Overall, the Maltese were not enthusiastic supporters of Desert Storm, but to the extent they had a role to play, I would say that they acted correctly.

Q: Were they, as so many countries, was CNN [Cable News Network] being seen there? Because it became probably the world's greatest spectator sport, almost, watching the war being played out.

LANGE: They did not have cable in Malta while I was there. They were negotiating with some companies, including an American company, to install cable. Broadcast TV was local or came over the water from Italy. On arrival in Malta, one immediately received two strong visual impressions. First, it presented a dominantly ochre landscape, because all of the buildings were built of limestone, which was quarried in Malta. This was particularly striking during the dry season, when there was no green to relieve a uniform hue of hot yellow. The other visual image was on the skyline, where there was a forest of television antennae pointed toward Italy. You probably recall, as I do, the old days of a TV antenna on the roof. Multiply that by several times, because Maltese housing units are much smaller than American. The forest was dense indeed. In any case, the Italian channels did not provide American-type coverage, and without cable, the Maltese didn't have access to the "video game war".

Q: What sort of a role did Italy play there?

LANGE: A lot of people understood Italian - partly because that was the TV they got, partly because of the proximity - but it wasn't used very much. In the marketplace, you would hear either Maltese or English. I would say 90% of the people could speak English, but few could speak Italian. On the other hand, the legal system was derived from Italy, which is curious because you would have thought it would have been an English legal system. In terms of current relations, the Italians provided the only meaningful military assistance. It was very modest, but they provided assistance in the form of material, including uniforms and that sort of thing. But they got very little mileage out of their assistance; they didn't seem to have much influence in terms of policy or anything. The British were much more influential than the Italians. We managed to arrange donation of a couple of retired NOAA (National Oceanic and Atmospheric Administration) patrol craft to the Maltese military as patrol boats. We got quite a bit of favorable publicity. The Italians were just taken for granted.

Q: Did we bring our ships in from time to time?

LANGE: The December 1989 summit, when the USS Belknap came into Marsaxlokk Harbor, was probably the first U.S. naval ship in Maltese waters since Maltese independence in 1964. I believe that after 1989, visits took place from time to time, but I don't know if they continued under the Labor Party government.

Q: How about Libya? Were the Libyans fighting for the Maltese soul, and we were trying to counteract that?

LANGE: Yes, the Libyans certainly had a presence there. They had significant number of visitors from Libya and a regular ferry service to Libya and back. Libyans would often come over and buy things they couldn't obtain in Libya. I remember tires were a big item for some reason; they were not readily available in Libya. They had an embassy comparable in size to ours – small by our standards, big by theirs. They had a public affairs program that engaged primarily in distributing literature. The Libyans sent high-level visitors from time to time, at the vice minister and ministerial level. So they definitely had a presence in Malta. The ambassador appeared to be a reasonable person. We had little to do with him, but he wasn't overtly hostile. The typical Maltese was not very interested in Libya or Libyan culture. Most Maltese are oriented toward Europe. Among the Nationalists particularly, many Maltese thought of themselves as Europeans. Even within the Labor Party, strong as its political impulse toward neutrality, few considered themselves to be North Africans.

Q: How about Islam?

LANGE: No. No impact at all. This is a very Catholic country, 95%.

Q: What about the Catholic church? Was it strictly spiritual, or did it have anything else?

LANGE: The Catholic Church had a lot of property, and the main job of the papal nuncio was to negotiate the fate of that property. He spent all of his time on it. I don't remember exactly the nature of their holdings. Their mission there was not very imposing, but they swung a lot of weight through the Church and by virtue of their property holdings. The Pope visited while I was there. That was a huge event. Again, the Nationalists arranged the invitation, and I'm sure that they welcomed the political dividend. On a local level, the influence of the Church was substantial, in the old-fashioned way. There were numerous churches around the island, and the parish church had tremendous influence. Many village churches had annual festivals, and they were huge events. We had the good fortune to live in an old villa, which dated from 1709 and which was located about 25 meters from a church. It was a mixed blessing at the beginning because the bells started at 6:00 am and went on regularly. The Maltese told us we would get used to it. We didn't believe it, but we did in fact get used to it in a few weeks. Still, you couldn't carry on a conversation out in the garden while the bells were pealing. The festival at our local church built up to a climax for a couple of weeks in late summer. There were fireworks and bells throughout this period, and during the two days of the actual festival, it was just nonstop cacophony. The Maltese love their fireworks. Nobody could quite explain this to me, but they spent a lot of treasure on fireworks, which went on sort of all year around. They produced them in backyard factories, which would occasionally blow up, with injury or loss of life. At the same time, a lot of Maltese had very bad memories of the siege of Malta during World War II, when things really got desperate. The Germans blockaded the island. The Maltese ran short of food and fuel. There was regular bombing

of Malta. So one might have thought that they had bad memories of explosives. Yet they had this drive to spend lots of money on fireworks. Most realized that it was an expensive, sometimes annoying and occasionally dangerous obsession, but campaigns to ratchet back the fireworks fell on deaf ears.

Q: I was consul general in Naples about 10 years before. The Neapolitans had had a very difficult time during the war. But boy, when the fireworks went off, particularly at New Years and there was another holiday, it was like World War II all over again. The whole Bay of Naples disappeared in the smoke.

LANGE: In spite of the privations, a number of the older people had some fond memories from the war. Perhaps because of the privations – shared burdens, a common enemy, all of that. An interesting WWII story: At an especially critical time in 1943, during the siege of Malta, a number of U.S. ships had been turned over for use in supply convoys into Malta. One of those was the tanker Ohio, which had a load of kerosene, important for cooking and other uses. It had been struck by torpedoes and twice abandoned during the convoy, but it didn't sink and was taken under tow. A famous picture is taken from the parapets above Grand Harbor. The Ohio, half awash, is being nursed into port with a warship on each side. They managed to get it in, even though its back was broken, and offloaded most of the kerosene. The Ohio became a source of inspiration at a dark time.

Another thing I could mention about Malta, that sort of relates to the summit. The Soviet mission had just built a new chancery; in fact, a complete compound. The Maltese were kind of bemused by the complex, which was on a hill and surrounded by an imposing and threatening fence topped by downward-pointing spiked metal apparatus.

Q: Sort of curved, pointing down.

LANGE: Exactly. The Maltese joked that they should have been pointed the other way to keep the Russians from getting out. The Soviets in 1989 were at the time very preoccupied by what was going on within the Soviet Union, and it was sometimes hard to get their attention. I remember summit planning meetings that we would have there, and Soviet embassy officers would sort of break off and go into a corner to argue about what was going on in the Soviet Union. There was the mix of personnel that you would find in many Soviet embassies; it was large enough to have people from the republics and indeed from all over the Soviet Union. They became embroiled in their own intramural arguments at the time we were trying to plan for the summit. It was a curious time for them, and they were running short of money. They had this grand compound, and they appeared to lack money to maintain it and keep it running.

The Chinese also had a sizeable compound, and they also apparently had to pinch pennies. As we used to say back in Nebraska, both the Soviets and the Chinese were "house poor."

We had one floor in an office building downtown, and it was adequate for our purposes.

It did present some problems, particularly from the standpoint of security. There was no way we could meet Inman requirements for a stand-alone embassy with a 100-foot setback.

Q: To keep it from being hit by a truck bomb or something. With such a strong Labor party, I would imagine there wouldn't be much room for a Communist party on Malta.

LANGE: No, there wasn't. I don't remember meeting anyone from the Communist Party. If it existed, it was a non-factor.

Q: Were the tourists mainly European, and did this cause you any problems?

LANGE: Tourism was mainly European and mainly British, i.e., the budget British traveler. The Maltese were trying to upgrade, trying to get more Scandinavians, people willing to spend a little more. They had a limited number of international class hotels. One of their flagship hotels, the Phoenician, was badly in need of refurbishing. I stayed there for a week when I first got there. It was beautifully situated, just outside the walls of the fortified city of Valletta. The hotel closed over a labor dispute shortly after I arrived and had still not reopened when I left. The islands didn't have much in the way of beaches, a couple were okay, but not great. Malta was on the other hand very interesting from the standpoint of archaeology. It had some beautiful Neolithic temples surrounded by a certain amount of mystery. They're still finding about the people who built these wonderful, old megaliths – comparable to but even more impressive in my opinion than Stonehenge.

Q: Is there anything else you should cover there?

Washington, 1992-94: Protection of Intellectual Property Rights

Q: You left in '92 to where?

LANGE: Back to the Department.

Q: To what?

LANGE: To the Office of Intellectual Property and Competition. "Competition" referred to anti-trust. They needed to put that function somewhere. But the main job was the protection of intellectual property rights.

Q: You were doing this in 1992 to when?

LANGE: 1992-94.

Q: Can you explain what intellectual property rights meant at the time and what you were doing about it?

LANGE: Intellectual property rights (IPR) are the rights enjoyed by originators of works protected by copyrights, patents and trademarks. In today's global economy, defense of those intellectual property rights often has a very important international dimension, whether they relate to motion pictures, musical recordings, videos, computer software, written materials, trademarked goods, or patented items or processes. This is a significant aspect of our international economic policy, and increasingly it has taken on a trade policy aspect.

Q: What sorts of issues were you dealing with this '92-94 period?

LANGE: I should first mention that for a long time, perhaps twenty-five years prior to this, the position I took had been occupied by one person, a civil servant by the name of Harvey Winter. He was something of an institution – Mr. Intellectual Property for the State Department. It's a rather arcane subject, certainly for the average foreign service officer. I faced a rather daunting learning curve.

Q: So he retired?

LANGE: Harvey Winter retired, after something like 50 years of total government service, including prior positions. This was a man who knew the history of intellectual property rights and particularly the State Department's role in the field. He came in to the office from time to time, and he was working on a book, but I don't know if he ever reached a point where he wanted to publish.

There were two aspects of the job that absorbed most of my energy. One was our interface with the World Intellectual Property Organization, located in Geneva, which goes by the wonderful acronym WIPO. It is a UN-affiliated agency, and it administers something like 17 international agreements having to do with intellectual property. It was sort of a special animal because it generated a lot of income on its own from fees it charged on filing of patents. It had a beautiful, relatively new headquarters building overlooking Lake Geneva. WIPO was very well off and was the envy of other UN officials in Geneva. This actually corresponds to the situation with respect to our own Patent and Trademark Office, which generates income from patent fees and which as an institution lives better than other government agencies.

WIPO had been headed for many years by an American citizen by the name of Arpad Bogsch. He was originally from Hungary, had spent some years in the U.S., but most of his working life had been in Geneva. He was secretary-general of the organization, and he ran it with an iron hand. He was a good secretary-general from our policy point of view, and we managed to keep him in the position during my tenure. We began work on negotiating new international arrangements with respect to copyright, to address the new copyright environment created by the Internet and new technology that change the questions you ask with respect to protecting intellectual property. I can't pretend that I ever became expert in this arcane field. The real experts are in the Patent and Trademark

Office, the Office of the Register of Copyrights, which is a function of the Library of Congress, and to a lesser but increasing extent the Office of the U.S. Trade Representative. Collectively, they are the ones who were principally responsible for negotiating in this area.

The other focus of the office was the trade aspect of IPR. A lot of effort here revolved around the so-called Special 301 provisions of our Trade Act. The trend toward making IPR a trade issue was resisted by some. But it became very explicitly a matter for our trade negotiators to pay attention to, and one of our tools to force governments to take seriously protection of IPR was trade retaliation. Consumers in other countries were feeding off our intellectual property products. Our producers – the recording industry, the software producers, the motion picture industry represented by Jack Valenti – were extremely effective and influential in attacking piracy of IP. The tool of choice was the Special 301 provision. Every year, countries would be assessed with respect to their effectiveness in protecting IPR. The law itself provided only for identifying a country that was not doing an adequate job of protection, and was therefore subject to trade retaliation in the form of punitive tariffs on selected imports from such a country. This action was to be taken only in extreme instances, preceded by a number of other steps. Part of the expression of this law, as it developed over the years, was the separation of malefactor countries into three tiers: watch list, priority watch list, and priority foreign country, the latter being the most egregious category and a designation that could trigger retaliation. The list was revised and renewed annually. The system worked remarkably well. Countries would take their position on the list quite seriously, and this afforded us leverage to negotiate IPR protection. Naturally, it also became an issue in bilateral relations. The IP industry was extremely demanding and aggressive. USTR was responsible for putting the list together, and it had very close relationships with all of the IP lobbies. USTR would essentially carry the IP industry message to foreign governments in terms of measures they should take with respect to protecting intellectual property. Well, that may be overstating the matter a bit, but the message we delivered as a government was frequently the industry message, not much adulterated.

Each country presented a different problem. In Italy, for example, it was Disney videos. For some reason, Italians just loved pirating Disney product. So the weight of Disney was brought down on the Italians. From our point of view, Italy became a success story, partly because the Italians responded. They took it on board. We had a meeting with the Italians, and they outlined a program, part of which was for public consumption – making a big TV event of rounding up pirated videos and running over them with steamrollers, that sort of thing, all good theater. But they made a serious and effective effort to get on top of the problem.

Countries at the other end of the spectrum had no interest in protecting intellectual property. Their perspective was that the recording companies for example are becoming wealthy and they charge too much for tapes and CDs. “We’re a tiny little market so why should we go out of our way to protect intellectual property?” We had to convince them that if they didn’t, they’d be slapped with retaliation.

Q: What about some of the larger countries, particularly China and Thailand?

LANGE: China became the big issue during the time I was in this office. Taiwan was also a problem, and this went back for years, starting with books, moving to sound recordings, then to visual recordings. But part of the story with Taiwan is that as it became more prosperous, it developed a domestic constituency for protecting its own national product, and it turns out that's rather important. The same thing happened with Korea. They became interested domestically in protecting intellectual property rights, and that helps a lot. We're not in the position of saying, "Protect it for us!" We're saying, "Protect it for yourself as well." An element of our mythology, going back to the early days of the Republic, is that protecting intellectual property rights inspires creation of intellectual property. Well, yes sometimes it does, but not always, and in my humble opinion, it is possible to carry protection too far, beyond the point of diminishing returns. (For example, copyright protection 70 years after the death of the original copyright holder.) But to return to the main point, it is certainly true that if you get an interest group made up of artists, authors, inventors and others, it helps to sell protection of IPR.

I had a bit of exposure to the influence of domestic IPR stakeholders in Malta. Talk about a tiny market. The concern started with videos and audio cassettes. You could buy any cassette in the open markets in Malta, and they were always pirated. You couldn't buy or rent a legitimate video there. All the videos we watched at home for three years were pirated. The Maltese approach, not surprisingly, was, "Look, these are available at a fraction of the cost of legitimate products. We don't do the pirating, and our people are poor." Many countries take that approach – that their people can't afford the legitimate product. In Malta's case, they didn't believe, with some reason, that sale of pirated products there had much impact on the world market. We began to make some progress, though, and one thing that helped was a fairly influential guy who wanted to open a multiplex cinema. He wanted to show legitimate movies and make a profit. It was against his interest to have immediately pirated videos in the market, if he was going to be showing the same movies in his multiplex. So that, combined with our threats – and like the proverbial mule, to get their attention you had to hit them with a two by four – gradually persuaded them to take the problem seriously. No government wants to address this politically unpopular issue: they all want to ignore it and hope that it goes away.

Q: Maybe this is a good place to stop. We'll pick this up in '94. Where did you go then?

LANGE: The Taiwan desk.

Q: So we'll pick up the Taiwan desk in 1994.

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Taiwan Affairs, 1994-96: A Complicated Relationship

This is August 22, 2000. So we're in 1994; you're on the Taiwan desk. Can you explain how the Taiwan desk at this point – this is at maturity – how it fit in. It's a country we don't recognize and all that. Explain the setup.

LANGE: In 1979, in connection with shifting our official recognition from Taipei to Beijing, we worked out this seemingly simple but in practice rather elaborate and tortured arrangement that implements an unofficial relationship with Taiwan. What that means in practice is constantly subject to redefinition because there aren't really any models for this. The interpretation of what it means, among both politicians and policymakers, ranges over a fairly wide field. We created the American Institute in Taiwan (AIT) in 1979. AIT is charged with carrying out, administering, the relationship. It actually has a corporate identity and is incorporated in the District of Columbia. From the beginning it was envisioned that AIT would provide the means of managing the relationship in a way that can be portrayed by all parties as unofficial while providing for what has become in practice a vibrant relationship. The nature of AIT, this understanding that it would be private yet quasi-official, requires a certain level of understanding by all parties. This, during my tenure, sort of broke down on the U.S. side.

Q: You were there from when to when?

LANGE: '94-'96.

Q: First before you talk about it breaking down, can you explain where it fit? I mean here you have this American Institute sitting out in Rosslyn, which is sort of like, I'm talking about the American side of it, and then we'll talk about the Taiwanese side of it. Can you explain a little bit about it?

LANGE: You really have three loci to contend with, in Taipei, in Rosslyn, and in the State Department. In Taipei, you have the Director of the American Institute in Taiwan (AIT), Taipei. In Rosslyn, you have the Chairman of AIT, who is the corporate chairman. In the State Department, you have the whole policy structure, with a small office headed by the "Taiwan Coordination Advisor" in the Bureau of East Asian and Pacific Affairs (EAP). There is no "director" of the "Taiwan desk", because desks (country directorates) are for countries, and we don't recognize Taiwan as a country. So I was Taiwan coordination advisor. I worked directly for a deputy assistant secretary in EAP, who was at that time in charge of China and other countries, who reported to the assistant secretary, and so on up the line. The principle was that we attended to policy with respect to Taiwan, while AIT actually administered the relationship. This means that in Taipei, AIT issues visas, helps businessmen, and in general does everything that an official foreign mission does. In Rosslyn, you have a small establishment – AIT Washington, or AIT/W – that manages the Washington end of the relationship. That is, it interfaced with the unofficial Taiwan representation in Washington, which from 1979 to 1994 went by the obscure name of the Coordinating Council for North American Affairs. We managed to change this name, and I'll describe the circumstances later. AIT/W also has a role in public affairs, particularly in dealing with Taiwan oriented groups around the country, so

it has to be careful to accurately reflect official policy. AIT/W deals with Taiwan representatives here, and it also, importantly, formulates the annual budget for AIT. AIT has a separate budget, approved each year by Congress, separate from that of the State Department budget. The budget covers personnel costs as well, because nominally every one who serves in AIT has to resign from the Foreign Service and join AIT. At the same time, this resignation is covered by an understanding that there are no career costs involved. That is, your salary remains the same, you can be promoted, your longevity clock keeps running, and you have guaranteed reemployment in the State Department, with no loss in seniority.

Q: Our representative in Taipei, in normal relations embassies present demarches or various things. It's not just visas and business assistance and all that. And also they report on developments surrounding political leaders and very interesting political situations. Were they doing these things? And how did they do those?

LANGE: It really operates like any mission abroad – reporting, presenting demarches, etc. Now in the early days, there were a lot of – how shall I say – firewalls constructed to make it as plausible as possible that this was an unofficial entity operating in an unofficial way. State Department telegrams, for example, were nominally from "AIT Washington" to "AIT Taipei". Of course, the fact is that you need to manage the relationship, and you need to have it operate in a way that's consistent with U.S. policy. For example, Taiwan's "foreign ministry" (note the quotation marks – strictly speaking, if we do not consider an entity a county, we should not refer to its foreign ministry) calls up AIT in Taipei. The director or another AIT official meets as requested, and results are reported back to the Department.

Q: It used to be that people were meeting in restaurants. But you can't just deliver a major note by doing it over a table in a restaurant.

LANGE: Well, actually you can. We can't deliver a "note", which is a diplomatic instrument, to a Taiwan representative, but we did our business in unofficial settings. Much of the time of the Taiwan coordination advisor, my job from '94 to '96, and his small staff of three people is spent working out elaborate rules and guidelines for contact. Much of it I must say appears petty to us. But it is important symbolism to both Beijing and Taipei, so it must be attended to. The way it works out in Washington is that Taiwan's representatives could not enter the State Department. That rule preserved a certain measure of unofficiality. Of course they could meet with AIT people at any time, anywhere, except the State Department. When I prepared my assistant secretary, who from 1994 to 1996 was Winston Lord, for a meeting with Taiwan representatives, that meeting would take place, under AIT auspices, in the State Plaza Hotel, which is across the street from the State Department.

Q: You would rent a room or something?

LANGE: Taiwan would pay for a meeting room. Everyone understood that a meeting at

that level would take place there. Meetings could take place at the AIT offices in Rosslyn as well, and some did take place there, usually at a lower level. But it would be inconvenient for the assistant secretary to cross the river and go up to the AIT offices.

We followed different rules with respect to other departments. From the beginning, we tried to establish the principle with Beijing that certain elements of the relationship, particularly in the economic area, had no policy significance and were necessary to carry out an effective relationship with Taiwan. Our case was that to have good coordination with Taiwan in finance and trade, it is clearly in the interest of the Asian, and indeed the world economy, in everybody's interest to have effective coordination, and so we need to have contact at all levels. Sometimes that might even require a meeting with a cabinet secretary. Of course Beijing never explicitly agreed with this approach. But at the same time that we maintained that we needed to have such meetings, including occasionally at a cabinet level, we thought that it looked rather official if a Taiwan minister of the economy, for example, comes in and calls on Secretary Rubin in his Treasury Department office. Therefore we determined that those meetings should not be in the cabinet member's office. You can easily imagine how much effort and blood was spilled on the floor trying to enforce this guideline on departments that had little understanding and less sympathy with our Taiwan problem.

That was one of the issues addressed in the so-called Taiwan Policy Review in 1994, which was just approaching implementation at the time I took over the office. Pursuant to the review, cabinet secretaries are now permitted to have meetings in their office. This sort of rulemaking and enforcing, which to most Americans looks petty, unproductive, and even pusillanimous, took up an awful lot of time and effort. But we thought that some of it was necessary to preserve the principle that we were serious about not having an official relationship with Taiwan.

In many ways, and on almost a daily basis, we confronted the tension arising from different policy objectives: Our wish to have unofficial yet dynamic relations with Taiwan; Taiwan's effort to raise its international profile – to gain more international space; and Beijing's adamant opposition to any event that would enable Taiwan to avoid coming to the table to negotiate its future as a part of "one China". For example, Taiwan sought the highest possible U.S. representation at the annual meeting of the U.S.-ROC Economic Council, a group composed of all the important businesses involved in U.S.-Taiwan economic relations. Our job was to identify a cabinet or sub-cabinet level official in the economic area to participate, one who covered an area where Beijing would think twice about retaliating. One year, we sent Secretary of Transportation Pena to the Taiwan meeting, reasoning that Beijing had important transportation interests and would not be inclined to shut down communications with our transportation secretary or retaliate in a more tangible way. Still, Beijing responded by refusing to let Pena travel to China. For Taiwan, this annual U.S.-ROC Economic Council exercise was about equal parts substance and symbol. For Beijing, it was wholly symbolic.

Another area where these differing policy objectives clashed was participation in

international organizations by Taiwan. The 1994 Taiwan Policy Review, to which I previously referred, committed us to find organizations where Taiwan's participation might be possible and to help promote entry, or at least allow "its voice to be heard". This particular outcome of the Review probably grew out of the successful effort in the early 1990s to secure Taiwan's participation in the Asia Pacific Economic Coordination forum (APEC). A high-ranking economic official from Taiwan took part thereafter in the annual APEC meeting, and Taiwan participated in subsidiary organizations. The agreement that opened the door to that participation, however, did not extend to a "Leaders' Meeting" associated with the APEC meetings, and which typically drew heads of government. Beijing drew the line there; it was absolutely opposed to letting Taiwan's president take part in the Leaders' Meeting. As we soon learned, there are no other organizations like APEC, which could be viewed as a gathering of economies, not countries. Other international organizations were either affiliated with the UN or otherwise required statehood for participation. The PRC was firmly opposed to Taiwan participation in such organizations, and it could easily mobilize the votes by other country members to keep it out. From Beijing's point of view, permitting this camel's nose under the tent would be yet another encouragement to Taiwan's independence.

Taiwan has done little to make this easy. Since the early 1990s, it has pursued a seat at the UN, using the 28 or 30 countries with which it has official relations. It doesn't have a chance, and the effort has heightened Beijing's sensitivity and its resolve to fight tooth and nail any notion that Taiwan was going to get a seat in an international or UN-affiliated organization. We explored observer status in the WHO, for which there was precedent for non-state participation (e.g., the PLO). Beijing was uncompromising. So we spun our wheels but found nothing, even among obscure and highly specialized organizations. Members of Congress, not surprisingly, thought we were not really trying; that we could work our will if we really wanted to.

Q: I would imagine, particularly after the 1989 Tiananmen Square episode, that: 1) relations weren't that great with China; and 2) that Beijing's continual carping about these little niceties of who meets who when and where and all that were beginning to run a little sour as far as we were concerned, weren't they?

LANGE: Yes, and that applies particularly to the Congress and to editorial writers. Going back to 1972, when the Shanghai Communiqué expressed our intention to "normalize" relations with Beijing, and 1979, when we shifted our recognition from Taipei to Beijing – these policy decisions were rooted in a strategic assessment that we needed an official relationship with the "new" China rather than with the China that had lost the civil war in 1949. A relationship with the PRC was useful to us as a counterbalance to the Soviet Union. Also at that time, in terms of the nature of the two regimes, there was a lot less to differentiate Taipei from Beijing than there is today. Until well into the 1980s, the Kuomintang followed policies and principles that would have been very understandable in Moscow and in some cases can be traced back to Comintern agents – most famously Mikhail Borodin – who visited China in the 1920s. The organization of the KMT, and its intolerance for dissent, did not make it exactly a model defender of human rights, to say

the least.

Then in 1989, we had Tiananmen and in the same year, the fall of the Berlin wall, and shortly thereafter, the collapse of the Soviet Union. So changes in our strategic calculations and in our emotional attitudes coincided. We didn't need Beijing quite as much as we had before. The other thing that happened was that out of necessity, the government in Taipei, and more importantly the KMT, began a genuine process of democratization. After WWII, the KMT was a party that had dumped itself in Taiwan after losing the civil war on the Mainland, was a minority party, and was seen as an alien imposition on the Taiwan population. But over a period of years it very gradually became "Taiwanized," and democratization of the political process became really a matter of survival for the KMT. I don't think it grows primarily out of an ideological attachment to Jeffersonian principles, though a lot of policymakers had received educations in the United States or in the West and were certainly familiar with Western notions of democracy. It couldn't have happened in the absence of a pragmatic decision that the KMT had to broaden its appeal and had to democratize in order to maintain power and avoid an explosion. So increasingly Taiwan's system began to look attractive to us. On the other side of the strait, the PRC government not only did not embrace our value system, it explicitly rejected it. Since much of our own national identity is bound up in values that we promote around the world, rejection of those values are difficult for us to tolerate, and that can be a heavy burden for a relationship to bear.

So after Tiananmen, there was a clear shift in public, congressional and media sentiment away from Beijing and toward Taiwan. This contributed to pressure to ratchet up the official nature of our relationship with Taiwan as much as possible and to reject pressure from Beijing not to do so. This led to a couple of things. One was the so-called Taiwan Policy Review, to which I have already alluded. This was really a misnomer. It wasn't a review of policy so much as a review of how we implement policy. There really wasn't a serious notion that we would change policy, and it was unfortunate that on the Hill, and to some extent in Taiwan, the impression was that we were considering a change in our policy in some fundamental way. That was never in the cards. The actual review, which took quite a long time, preceded my tenure in the office. What happened after I arrived was the rolling out of the review. The results really affected only a few things on the margin, and to this extent were a disappointment in Taiwan and on the Hill. One example was the change in the name of the Taiwan office here, from the awkward and somewhat mystifying "Coordinating Council for North American Affairs." There was clearly a case for changing the name, and Taiwan would have liked to change it in a way that would make it look as official as possible. Many on the Hill also wanted to make it as official as possible. We wanted to change it in a way that clearly identified the office as representative of Taiwan, but at the same time did not identify it as an official organization. We eventually settled on "Taipei Economic and Cultural Representative Office." It's still pretty awkward, but at least it provides some clue of what the office is about.

Q: I'm told that, one hears about the Israeli lobby and the Greek lobby, but the

Taiwanese lobby in the United States is no small matter. Did you feel its hand?

LANGE: We rather thought in our parochial way that Taiwan was second only to Israel in terms of its influence. That may be overstating it, but clearly they are very effective. They've been practicing since the early '40s, when Mme. Chiang Kai-shek was such a hit with the Congress. Many people from Taiwan have been educated in the United States and speak fluent English. They adopt familiar given names – Fred, Jimmy – and that makes it easier for Americans to relate to them. They understand our system. They patiently cultivate the grass roots. For example, using their many branch offices – the equivalent of consulates – they obtain friendly resolutions from city councils and the like. In Georgia, they managed to get the state authorities to issue diplomatic plates to their people in Atlanta. The contrast with Beijing, which by and large has been dismissive of such retail diplomacy, could hardly be starker. One of the ironies of the PRC election influence scare, the notion that Beijing was trying to improperly influence our political process, is that the PRC, unlike Taiwan, would hardly have known where to attempt to exert improper influence.

Q: We're talking about the 1996 elections.

LANGE: That's right. I think what the Chinese ambassador was trying to do – to the extent that the press is correct about what we know about meetings in the Chinese embassy – was to exhort his people to try and become at least half as effective as their Taiwan counterparts in knowing what was happening on the Hill and trying to be influential. And of course that's what our system is based on – influence. Although we will probably never know all the facts, I am doubtful that they contemplated directly buying election influence. The Chinese ambassador was at the time under the gun from Beijing, since this was shortly after the shock we administered by allowing Taiwan's president to address a Cornell graduation.

Q: This is during your time. I don't know if there's anything else you want to talk about before, but can you talk about sorts of events you had to deal with.

LANGE: Well, Lee Teng-hui's Cornell visit in 1995 ties directly to your lead-in about influence. Taiwan's influence traditionally was focused particularly on the Hill. Taiwan never felt that the State Department was especially sympathetic to their case, and there's some justification there. The State Department is interested in a rational, logical and consistent policy that clearly serves our interest. I don't want to say that the Hill is not interested in that; congressional postures are generally placed in a national interest framework. But Hill people have other priorities and respond to different things, such as constituent pressure and what plays well in the media. The new dimension that Taiwan, specifically the KMT, developed was working directly through lobbyists, in effect bypassing its own foreign affairs establishment. Its foreign affairs ministry had traditionally been dominated by Mainlanders, and they had a clear understanding of this elaborate system that had been worked out, of the official-unofficial balance and what the traffic would bear in Beijing. They wanted to preserve a setup that fostered stability,

which is really in Taiwan's interest. But the first Taiwan-born present, Lee Teng-hui, was much less concerned with any progress toward reunification, or even preserving the status quo, than he was with establishing a separate identity and maximum autonomy for Taiwan. So, against the advice of his foreign affairs establishment, the KMT, through a chum and fellow Cornell grad, Liu Tai-ying, concluded a highly lucrative contract with a lobbying firm in Washington. The KMT had vast business interests, and we reckoned at the time that it was probably the wealthiest political party in the world.

Q: What lobbying firm was that?

LANGE: Cassidy and Associates. We understood that Cassidy's mission was to secure an invitation from Cornell to Lee to address a graduating class, and to get the U.S. Government to permit it.

Q: He was a graduate of Cornell.

LANGE: Lee is an alumnus of Cornell with a graduate degree in agricultural economics. Cornell was actually ready to issue the invitation at any time, and Cassidy's most important task was to make it happen, knowing that our foreign affairs establishment would see it as an unbalancing act that did not serve our national interests, knowing that it would be interpreted as threatening in Beijing, even as a step toward reestablishment of an official relationship. Cassidy went about this by emphasizing a couple of aspects. One was that this was unofficial. Here's a man, they said, who's an alumnus. Cornell can invite any alumnus to make an address. It was a private matter and had no political significance. All of this was hogwash. Chinese on both sides of the Strait knew that the matter was heavy with political significance. We cautioned members of congress, both in testimony and privately, that it was a highly charged political matter, though some later professed astonishment at the ensuing firestorm and claimed that State had not warned them. The second pitch by Cassidy was that nobody was going to tell the U.S. to whom we could issue a visa. Were we going to let the Red Chinese tell us we could not? So what if Beijing was a bit unhappy? This argument of course resonates in the U.S. body politic. Cassidy encouraged friendly people in Congress to introduce resolutions in both houses in favor of issuing a visa to Lee to go to Cornell. The resolutions passed overwhelmingly – unanimously in the House and with just one dissenting vote in the Senate. So the administration faced this dilemma knowing this was going to exact a cost in our relationship with Beijing and knowing that there was no clear benefit to our foreign relations to issue this visa, yet facing an overwhelming expression of congressional sentiment.

I was not a party to any high-level meetings at which decisions were taken but at one point, there was a meeting in then Under Secretary Tarnoff's office with Winston Lord. When we briefed Tarnoff on the state of play, particularly on the Hill, he said, "Well, it looks like the game is over. It looks like we'll have to agree to this visit." So we did. I presume that Tarnoff had already been in touch with the NSC, and I believe that by the time of the meeting, Pres. Clinton had told Virginia Senator Chuck Robb that we would

approve the visit, so there was really nothing left for the State Department to fight about.

Q: In a way, maybe I'm just looking at it too much in retrospect, but when you get Congress doing something like this, there's no way, I mean with the American public, you can't say, "Well so-and-so, who's a distinguished alumnus can't go and address his college." You know, it just isn't the American way. Our fancy dance of trying to do this may play well in the diplomatic circle, but this is one where it was a losing game to start with.

LANGE: When you put it in those terms, matching one of our cherished freedoms – as the NSC in this case came up with at the last minute, "freedom to travel" – against fastidious attention to diplomatic fine print, it's no contest. I think the question that was not clearly joined, especially on the Hill, is whether or not it was in our interest to agree to the visit. If we had made a strong case to Cornell not to issue the invitation, they would not have done so, even though they clearly had a right to do so. The Administration could have decided to demonstrate to Beijing that our heart was in the right place by not issuing the visa and forcing Congress, if it had the will, to pass binding legislation rather than a non-binding resolution. But there was never serious consideration of taking such a course, which would have been high risk and a political loser.

The way in which this unfolded, with the Administration hanging on to established policy until the last minute, then suddenly capitulating, left us in an unfavorable position with respect to what Lee would actually do when he went to Cornell. There was no negotiating process leading up to the visa decision on what he would say. After the decision was conveyed to Taiwan, we didn't dare engage in such a process because we knew that any effort would get immediately back to the Hill. We didn't want to be charged with trying to "muzzle" Lee. Winston Lord has since said, both privately and publicly, that we had an understanding that Lee was going to make a nonpolitical speech – a reflection on his years at Cornell. I think that was just wishful thinking on our part. We never had such an understanding with the Taiwan authorities. Our director in Taipei reported speculation that that's the sort of speech Lee might give, but I don't recall that it was speculation rooted in information from Lee's office. I think it's not correct to suggest that Taipei betrayed us, though Winston Lord has taken a different position, and he blamed Taiwan's Washington representative, Benjamin Lu, for not keeping us informed about the speech. The fact is, we had no leverage on speech content, and Benjamin Lu was outside of Taiwan's decision-making loop, considering that the KMT had frozen out Taiwan's foreign ministry in generating pressure for the Cornell event. In any case, I believe that once we decided to issue the visa, that decision became the essential fact. What Lee said was in a sense secondary, and given all the KMT effort and expense that had gone into producing the invitation and the visa approval, it was fairly predictable that the address was not going to be bland and inoffensive to Beijing. It was not in the event an apolitical speech, and it caused a predictable firestorm. The whole episode surprised Beijing, and it raised questions in the PRC about where we were going with Taiwan policy.

Q: What were the major points that he was making?

LANGE: As I suggested earlier, the content of the speech was in my view secondary to the mere fact that he was making it: The first president of Taiwan, with which we have unofficial relations, visiting the U.S. for a high profile event and using that stage to say anything at all on Taiwan's status was going to alarm Beijing. The speech itself wasn't blatantly political, but to those fluent in the code of cross-Strait relations, it was provocative. On both sides of the Taiwan Strait, they pay absolutely excruciating attention to terminology. For example, when Lee referred to the "Republic of China on Taiwan", that conveyed a certain message to Beijing. The previous formulations had always been "Republic of China," period. The historical background is so important here. When Chiang Kai-shek lost the civil war and retreated to Taiwan, he always said that he would retake the mainland, reinstall the rightful government of China, and restore the Republic of China. We went along with this fantasy for 30 years, some even maintaining that we should "unleash Chiang". After Chiang Kai-shek died, his son, Chiang Ching-kuo, became president. Toward the end of his tenure, Chiang the son explicitly dropped the notion that they would reinvade the mainland at some point and reestablish a Republic of China government. But he did not declare a second China located on Taiwan, or an independent Taiwan. Both sides still subscribed to one China policy; that is, that Taiwan is a part of China. Whether the Taiwan side under Lee Teng-hui still adhered to a one China policy was in doubt, and when Lee alluded to the "Republic of China on Taiwan", it sounded tantamount to a declaration of a second China. But this was not earth-shaking, and what he said was by and large consistent with what he had said on previous occasions, not that Beijing liked hearing them then, either. What was new was that he gained an important political platform. He could have come to Cornell a few years later, when he would no longer be President of Taiwan. But of course he and Cassidy, and for that matter Cornell, weren't interested in that; they wanted to do it while he was president.

Q: There must have been problems of security, and I take it everybody was taking a very hands-off attitude in the government.

LANGE: Actually, we did provide security, coordinated by State's Diplomatic Security. AIT did the meet and greet, and coordination with Lee's traveling party. To keep our official profile as low as possible, I sent my deputy to Ithaca. Three members of Congress went up there to make their own publicity on his arrival – Jesse Helms, Alphonse D'Amato of New York, and Frank Murkowski of Alaska.

The political fallout from the Cornell episode was predictable in some respects and unpredictable in others. We knew that it was going to cause complications in our relations with China and with Taiwan. There was a Taiwan domestic politics angle. Lee was at this point president by virtue of an indirect election, but Taiwan's first direct election for president was approaching in March 1996. This could well have been a driving force behind the Cassidy campaign: A U.S. visit would surely lift Lee's electoral prospects. In advance of elections held earlier for Taiwan's legislature, Beijing had conducted military exercises, just to remind Taipei that they were there and that military action was possible

if political events got out of hand. Military experts agree that there's no way that Beijing could prevail in a direct military action at this point. The PRC doesn't have the capacity, including especially the amphibious capability, to mount an invasion. But there are other options. They very explicitly reminded Taipei during this period that they could create problems by disrupting shipping, for example. Taiwan is heavily dependent on foreign trade, so disruption of shipping would exact a very significant economic cost from Taiwan. Beijing did this not very subtly by lobbing a few missiles into waters northeast and southwest of Taiwan, near shipping lanes leading to the ports of Keelung in the north and Kaohsiung in the south. It was a crude demonstration that Beijing could put missiles wherever it chose, either threatening shipping or threatening Taiwan itself. So this caused great consternation, particularly on the Hill, though there was no indication that the PRC planned to take the demonstration further, much less threaten an invasion of Taiwan.

Here, the language of the Taiwan Relations Act (TRA) comes into play. The TRA provides the fundamental legal framework for our relationship with Taiwan. It sets up the American Institute in Taiwan and lays out various principles governing our relationship. One of the provisions of the TRA is that the President is directed to inform Congress promptly of any threat to the socioeconomic system of the people of Taiwan or any danger to the United States arising therefrom. Well, did these missile demonstrations rise to the level of a threat to Taiwan? We concluded that they didn't; they were not reportable to Congress as a threat because they were a demonstration, not a precursor to an invasion. There were other views in the Congress and some sentiment that we should "do something about it." Clearly, Beijing was trying to intimidate the voters in Taiwan and convince them not to vote for Lee, this president who had flirted with notions of independence, upset the delicate political balance, and endangered Taiwan security. It didn't work. Lee won the election by a very substantial margin, and there is a possibility that PRC actions may well have helped Lee.

So what was the proper U.S. response to the missile gambit? It's a difficult question. We had to signal that Taiwan was important to us without saying to Taiwan that we were necessarily and unconditionally going to defend Taiwan if something happened. We've always resisted doing that for the very good reason that people in Taiwan might regard this as an invitation to declare independence or do something otherwise provocative. We have never provided a guarantee of military intervention. Ultimately, the decision that was taken was to convey to both sides the sense that this was an important issue to the U.S. We did this by dispatching two carrier task forces to the area. (I don't know who pushed for two; we at State thought it would be one.) Contrary to what is commonly believed and stated, the carriers and their support ships did not go into the Taiwan Strait, but rather stood off Taiwan on the Pacific side. The Taiwan Strait is international waters, and we do with some regularity send naval vessels through the Strait. In this case, we did not do so for the good reason that it would be seen as needlessly provocative. The message of the task force was that this was an area of great policy importance to us. Beijing wasn't happy with our exercise of gunboat diplomacy, but there wasn't anything it could do. Beijing had in fact terminated the missile exercise before the carrier task forces were dispatched, so the action was purely symbolic, for the benefit of Beijing, for

U.S. public opinion and for Taipei, in descending order. We matched the PRC, symbolic gesture for symbolic gesture, and it was sufficient to allay fears in Congress that we were not responding to the crisis. It was reassuring to Taiwan. Not surprisingly, some in Taiwan also took it as a concrete sign that when the chips are down, the U.S. will defend Taiwan militarily. This is the sort of dangerous belief that we have tried to discourage over the years.

The Administration was not happy, needless to say, to be faced with this new crisis in U.S.-China relations, or with the way in which Lee's actions had precipitated it. I participated in a meeting meant to convey, directly to Taiwan and at a high level, the message that the Cornell episode was not helpful to U.S.-Taiwan relations or to U.S. efforts to preserve stability in that part of the world. Deputy NSA Berger and Under Secretary Berger met in a New York hotel with Ding Mou-shih, head of Taiwan's National Security Council. Ding had been Taiwan's representative in Washington, spoke fluent English, and we knew him to be very able. We had no illusions that he was part of Lee's inner circle, but we thought that Ding had been careful to establish credibility with Lee, and that as a highly-respected member of Taiwan's foreign affairs establishment, Lee might listen to him. The meeting was arranged with extraordinary secrecy, without either AIT/W or TECRO's knowledge, mainly to shield it from the ever-resourceful Taiwan press. Berger went over U.S. policy and explained the decision to sent the carrier task forces. He gave some emphasis, and he conveyed this in firm tones, to our perception that this cross-Strait confrontation was in significant measure traceable to the Cornell episode, and that it had been in no one's interest, including Taiwan's. He indicated pretty clearly that the Administration would not look kindly on another effort by Taiwan to take unilateral action – such as it did on going around the Administration on the Cornell visit – on something that was so closely linked to U.S. interests. It is hard to know how that message was received in Taipei. Ding gave away nothing at the meeting. Whatever he thought personally about the wisdom of the Cornell gambit, he showed not a hint of doubt. One could conclude from the conversation that Taiwan would continue to make its own judgments on its interests. To this I would add my own interpretation: Whether or not it complicates American foreign relations. It is certain that Taipei will continue to place great store in its relations with members of Congress. Since the KMT has been voted out of power, perhaps it no longer maintains the sort of independent relationship with lobbyists that produced Cornell. Its successor as majority party, the Democratic Progressive Party (DPP), even if it wanted to pursue this sort of back channel foreign relations, does not have the resources to do so. The DPP does, however, keep its lines open to members of Congress. Other groups that openly promote Taiwan independence have long had strong relationships with some members.

Q: Did you see during this time, shortly before, a year or two before, we had the demise of the Soviet Union. Particularly with the right wing of the Republican Party, I've had sort of the feeling that it's been looking around for an enemy, and China has become sort of the designated enemy and continues today. Did you have any feel about that? They were building up an atmosphere that China was gong to be the enemy.

LANGE: It's a question that's being thrashed out today. Entire conferences are organized around the question of whether or not we are demonizing China. Current press articles deal with disagreements within the Republican Party about the appropriate stance toward China, worrying that we can have no confidence about the direction in which China is going to go. There is this notion that people were looking for the next adversary as the Cold War wound down. As David Sanger of the *New York Times* titled an article: "Looking for an Enemy, and Finding China". It is useful to recall the self-fulfilling prophecy to which Winston Lord often referred: If we want China as an enemy, we can assure that by treating them as such.

The fact is that Beijing explicitly rejects many of our notions about governance, for example, or human rights. As a nation, we have a relatively short history, and we are the product of many different social and historical traditions. One thing that ties us together is shared values, and we actively promote those values abroad, much more than other countries do. We are comfortable when others accept those values. Taiwan has bought into this vision, but the PRC has not. Another problem is that large countries have large interests, usually think they're right, and don't like to be told what to do. That's true of China – literally, the "Middle Kingdom" – and of the U.S.

Here's an illustration of how our differing perceptions of the PRC and Taiwan can come into play in a concrete way. Taiwan has official relations with some smaller countries in Central America and Africa, often those where Taiwan's aid programs can influence diplomatic recognition. From time to time, Taiwan's political leaders, including the president, want to visit those countries. The only convenient way to get to those in Central America is through the United States, so we've worked out these carefully delimited arrangements for transit. This is strongly opposed by Beijing, which would prefer to keep tightening the noose and completely isolate Taiwan. We've told Beijing that we are nevertheless going to permit transits, for the "comfort and convenience" of the traveler. These transits are not meant to be political events, but not surprisingly, Taiwan usually tries to push the envelope and gain some political mileage of one sort or the other. One of these episodes provided the backdrop for the Cornell visa decision. In 1993, Lee Teng-hui wanted to visit Central America. He wanted to stop in Hawaii and while there touch base with Chinese-American groups. We tried to negotiate an arrangement whereby he could refuel the plane, but rather than contact overseas Chinese, take a rest in the VIP lounge at Hickam AFB. This was consistent with policy but did not meet Lee's expectations. He was so teed off that upon landing, he refused to deplane. It was a master stroke, aided by the press which widely reported that he was not allowed to deplane. Friends of Taiwan were outraged, and were determined that we would never again show such "disrespect" to the president of Taiwan, or "kowtow" to Beijing. The rest, as they say, is history.

The 2000 Taiwan presidential election resulted in the election of Chen Shui-bian. This is remarkable in itself, because Chen heads the Democratic Progressive Party (DPP), which only 20 years previously was outlawed in Taiwan. The DPP has as an explicit element in its platform calling for independence for Taiwan. To his credit, Chen has soft-pedaled

this plank and has tried not to antagonize Beijing. He requested a transit of the U.S. to visit Central America, and my understanding is that his people were quite understanding and did not themselves try to create pressure for political events. Some congressmen were not so cautious – Sam Gejdenson, Dana Rohrabacher, a couple of others – wanted to have a meeting with Chen. He said it wasn't convenient. Rohrabacher apparently showed up at the hotel anyway and sort of invited himself to have a meeting with Chen. Now, our congressmen have a right to see a visitor when comes to the U.S. But is the question rights or is it interests? In this case, the Taiwan leadership saw that it was not in their interest to have these meetings, particularly on the first transit. The congressmen had a different agenda and reached a different conclusion. How long Chen sees it in his interest to exercise restraint remains to be seen. His domestic political considerations may persuade him to be more demanding in the future, particularly if he judges that the risk is limited because of a security guarantee from the U.S.

Q: This transit took place when?

LANGE: Just last week. In a sense it goes back to your broader question of how we view China. Is it or could it be an adversary? What are its intentions, to the extent that we can determine them? Is it in our interest to promote the international status of Taiwan in the course of one of these transits, even if it complicates our relations with the PRC? From our standpoint, it could be viewed as the "right thing" to do, consistent with spreading our values beyond our borders. Beijing however is likely to view it as a threatening interference in a Chinese affair.

Q: Well, during this '94-96 period, were we working actively to tell the people on Taiwan – it's not in your interest to go for declaring independence.

LANGE: Oh, yes. We tried in many ways to convey that message. It's received in different ways in Taiwan. As I mentioned before, the foreign affairs establishment in Taiwan agreed in principle that declaring an independent Taiwan was not in Taiwan's interest. The issue is that an increasing percentage of the population in Taiwan probably thinks that it should be independent. Taiwan is very prosperous and is now embarked in a new political direction. It doesn't trust Beijing. There are any number of reasons why an independent course appears to be the way to go. What they're apparently recognizing is that although independence may be an ultimate goal, to pursue that now is going to be counterproductive. Actually, the status quo works well for Taiwan. It has in many respects the best of all worlds. It has security, including an arrangement with the United States that helps secure the peace in that area. It is prosperous and is a successful trading economy. What it lacks is international status – "respect". It doesn't have a seat in the UN, and it doesn't have a seat in various international bodies. So what most Taiwan people want is status quo plus. They don't want to change their security, but they want more than that. And why wouldn't they? Under the U.S. security umbrella, pushing the envelope doesn't carry a high risk.

Q: Well, did you find, I can't remember when, but AIT in Rosslyn at one point, I can't

remember if it was during this time that they appointed a director who was not sort of a China hand, but a political person, and this caused a lot of turmoil?

LANGE: Oh Lord, yes – Jim Wood! Personally, this episode represented my least satisfactory contact with our appointments process. It truly was awful. It relates to the corporate nature of AIT, with the chairman in Washington (Rosslyn). This chairman has certain financial responsibilities with respect to running AIT, but no policy role. At the same time there is a director in Taipei who responds to the department like any other chief of mission, but does not answer to Rosslyn on policy. If you look at the corporate documents of AIT, it appears that the Taipei director works for the chairman in Rosslyn. From the beginning, the AIT chairmen were retired Foreign Service personnel. They all understood the origins of this animal and that its viability depended to a large extent on unwritten understandings of how the institution operated. Jim Wood had a White House connection, though I never clearly understood the nature or strength of the connection. He had come from Arkansas years ago and he knew Clinton, but he denied that he was an FOB – friend of Bill. Wood had some familiarity with AIT, because he had in the late 1970s worked for the Legal Advisors Office of the State Department. He knew about the corporate legal documents. He made a political case that the chairman should be a Democrat. I saw a document at one point that laid out an argument – not specifically attributed to Wood, but I'm sure it was reporting on his thinking – that the sitting chairman at that time, Nat Bellochi, a retired foreign service officer, was a Republican appointee.

Q: Nat, I know is a China hand, had served as an ambassador there. He's a regular Foreign Service Officer.

LANGE: Sure! This was utter nonsense! Nat had served in Taiwan and in Hong Kong. He was later ambassador to an African country. Anyway, there was the argument made in the memo that the Democrats should treat this as a political appointment, and due to the black box nature of White House appointments, I could never grab hold of this and put it out on the table and address it. There was in any case heavy-handed pressure from the White House, exercised through Dick Moose, then undersecretary for administration, to make the Wood appointment. I tried to warn Winston Lord that this would be trouble. Later, I was told by others, not Lord, that Lord was pressured to accept Wood – that he understood that if he did not sign off on this appointment, he would not get action on a vacant DAS (deputy assistant secretary) position in EAP that he desperately needed to fill. Someone was really playing hardball.

AIT has a board structure, at that time constituted of three uncompensated, retired and senior State Department officers. They met from time to time to discuss what was going on in AIT, but frankly didn't have a lot to do with running AIT. When it was evident that the Wood appointment was going through, all three of the directors resigned, and one of them did it quite publicly, writing a letter to the Secretary. I spent a great deal of time finding three new board members who would serve in this situation, but you can imagine how reluctant people were to take on this thankless job, as I mentioned uncompensated. I

eventually found three willing to sign on. One in particular, Bill Brown, agreed to head the board, and he devoted a great deal of effort to understand the issues and to look for a resolution to this crisis in AIT governance. He was careful to act independently and keep his distance from State, but he helped to keep a lid on things, and we owe a lot to him.

I had to try to limit the damage of an incoming chairman who not only didn't really understand the system and by all indications was even hostile to the system. I decided to use as one tool the Secretary's letter of appointment to the AIT chairman. Theretofore the letter had been a matter of a page or so and largely non-substantive. With help from the Legal Adviser's Office, I undertook to create a letter that was much more specific, spelling out responsibilities and expectations. It ended up three-and-a-half pages. Moose presented the letter to Wood, who was very unhappy. He didn't like it because it made certain things explicit that he didn't want made explicit – such as that the AIT director in Taipei was subject to policy direction from the Department, not from the AIT chairman. From the outset, the Department had a very strained and unhappy relationship with Wood. He made some really irresponsible charges about fraud and malfeasance within AIT, even selling visas for money and sexual favors. He also allegedly became involved in political fund raising – I don't know if it was improper, but the FBI opened an inquiry. Eventually, because he had created so much bad blood and was so obviously not on the team, Wood was prevailed upon to resign.

Q: This would be political fundraising?

LANGE: Yes. When you're dealing with Taiwan, it's a very tempting target, considering its prosperity and its need to maintain political influence in the U.S. Recall that this was during the fund-raising activities of John Huang, and there were some news accounts of cooperation between Wood and Huang. My only direct knowledge of relevant information took place in California. In 1996, after Lee Teng-hui was elected Taiwan president in the first-ever direct election, we needed a delegation to send to the inauguration. The White House eventually decided that the delegation (which represented not the government or the nation, but the "people of the United States") should be headed by FOB Vernon Jordan, and it included Senator Jay Rockefeller and University of California Berkeley Chancellor Chang-lin Tien. Delegation selection afforded some indirect evidence that Wood was not plugged in to the White House. The day before we learned of Jordan's selection, Wood told me that he thought Jordan would be a "terrible" choice. He soon deemed it a brilliant selection. The delegation flew to San Francisco, there to pick up Chancellor Tien. While we were waiting in a lounge at the airport, Wood began to hold forth on the mistake that Taiwan was committing in overemphasizing its relationship to the Republican Party and ignoring the Democrats. He asserted that Taiwan was contributing directly to Republican campaigns; Rockefeller expressed skepticism. Wood forged ahead, pointing out that the dispatch of the carriers in the recent crisis showed that Taiwan owed much to the Democratic Party and should get its priorities straight. This was a theme that Wood reportedly continued to repeat in Taiwan. Wood delivered this in the presence of Taiwan's San Francisco representative who was there to greet the delegation. He was visibly embarrassed and was mute throughout the

conversation. We all thought it was a remarkable performance.

I don't know where the investigation led, but apparently direct solicitation of contributions was not substantiated. The FBI interviewed me about the San Francisco episode, but I heard nothing more about it. Wood continued to fight after his resignation. He held a couple of press conferences at which he alleged that he was forced to resign because of what he had uncovered about fraud and mismanagement in AIT. I believe that he later brought suit against AIT and Bellochi. I don't know the details, but I think it has been dismissed. The seeds of AIT's accounting problems can be traced back to its creation. It is such a strange creature, and it doesn't easily fit in the Department system. The Department accounting standard that's applied to official overseas missions isn't appropriate to AIT, which has a stand alone budget and a separate congressional appropriation. It also earns a lot of its own money through visa fees. AIT is something that was created out of policy necessity and had not been put on a sound accounting basis. So it did give rise to some doubts about appropriate accounting and what had happened to certain money. Audits found that some funds could not be properly accounted for; Wood converted that into "missing" funds. Wood took it upon himself to hire on behalf of AIT independent auditors, who confirmed that the accounts were in a mess. But Wood spoke irresponsibly of fraud and malfeasance, and in many ways tried to create difficulties. It was a painful and debilitating episode, and it should have never happened. It was entirely a self-inflicted wound.

There is another significant Taiwan issue, perhaps the most important issue in the triangular U.S.-PRC-Taiwan relationship, that I should mention – military arms sales to Taiwan. At the time we established diplomatic relations with the PRC in 1979, the issue of our continued arms sales to Taiwan had by mutual agreement been pushed down the road. But in 1981, alarmed by some statements by Ronald Reagan that seemed to portend a resumption of official relations with Taiwan, Beijing sought to confront and resolve the issue. The PRC understandably regards continued arms sales as interference in its domestic affairs. Of more concrete importance, the PRC believes that arms sales, plus our apparent readiness to support Taiwan in a confrontation with the PRC, enable Taiwan to resist indefinitely engagement in discussions on resolution of Taiwan's status. After intense and difficult negotiations over several months, the result was the August 1982 communiqué with the PRC, which called on the U.S. to limit arms sales to Taiwan to the levels of "recent years", with a view to eventual termination of such sales. One can debate whether or not the agreed terms of the communiqué were realistic, but with the passing years, it became increasingly difficult to reconcile with realities. This was particularly so as the PRC directed its military attention away from its borders, especially the USSR/Russia, and toward Taiwan. This PRC posture can be viewed as threatening, and the Taiwan Relations Act, which legally and politically trumps an executive agreement such as the 1982 communiqué, requires the U.S. to make available to Taiwan the means for self-defense, i.e., arms sales. Our signature to the 1982 agreement was premised on the PRC's policy of seeking a peaceful resolution to the Taiwan issue, and its aggressive military posture calls that policy into question. This affords us an additional rationale for levels of arms sales, and these sales are increasingly difficult to reconcile with the 1982

agreement. We assert that we continue to abide by the agreement, while explaining our increasing levels of sales in terms of inflation, necessary replacement for obsolete and out of production items, and doubts about the PRC's peaceful intentions toward Taiwan.

Arms sales annually came into sharp focus at the time of scheduled arms sales meetings with Taiwan. These were formal meetings at AIT/W, chaired by DOD, at which Taiwan presented a list of its requests for weapons and weapons systems. Taiwan's request lists grew out of both its military and political needs. The F-16 sale in 1991, for example, worth about $6 billion, was of course militarily important, but it was also a huge political and psychological boost to Taiwan. As weapons systems became more sophisticated, they became more difficult to incorporate into Taiwan's military, but it was important to have a steady flow of approvals to show resolve and U.S. support. Each item on the request list was exhaustively vetted from the standpoint of its military importance to Taiwan and its possible effect on cross-Taiwan Strait stability. Each major system brings in its wake a whole series of contingent questions. How do you outfit the F-16, for example? What kind of avionics do you put in and what sort of missiles do you hang on it? Another difficult question was submarines. It is a perennial on Taiwan's wish list, and is an excellent example of a weapons system that Taiwan desires as much for political as for military reasons – for the message that it would send about U.S. support against Beijing's efforts toward unification. For years, we refused to approve sale of submarines, because our judgment was that they are inherently offensive, not defensive, and that they would be destabilizing. Contrary views on this and other weapons systems were common, including on the Hill. Arms sales issues were intensive and required a great deal of inter-agency work with the Pentagon. One of my two officers in the office spent almost full time on arms sales. Later, when I moved to the China Desk, I was on the receiving end of regular protests by the PRC that our arms sales were in violation of the 1982 Communiqué.

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Chinese Affairs, 1996-98: Riding the Roller Coaster

Q: This was a pretty busy two years. What did you do in 1996?

LANGE: In '96, I was asked to be the director of the Office of Chinese and Mongolian Affairs.

Q: And you did that from '96 to when?

LANGE: '98.

Q: What was happening then?

LANGE: A lot. The office manages a difficult relationship, so it's a large and busy desk, consisting of ten officers and three administrative assistants. I knew what I was getting into, and I saw it as my last shot at promotion before I TIC-ed out.

Q: That means "time in class."

LANGE: I had one more year to get promoted or be forced to retire. I had two interesting years – a lot of work and long hours – but I didn't get the promotion. That, by the way, is a Chinese malediction: "May you live in interesting times."

Q: What were the issues that you were dealing with?

LANGE: Well, there's a standard quartet of big issues that we deal with on China. One we spent some time on already, which was Taiwan. The second is human rights. Third is proliferation of weapons and delivery systems. The fourth is trade and all of its various manifestations. While I was there we had a fifth one as well, which was the reversion of Hong Kong to Chinese sovereignty. So any one of those is a major issue and is time-consuming and - in the classic foreign affairs sense – tends not to be resolvable; the best you can hope is that issues are manageable. One gets from point A to point B but never comes out the end of the tunnel.

It might be helpful to briefly describe the foreign affairs bureaucracy as it relates to China. Because of the importance of the relationship, the White House always has an interest. That is particularly true in advance of high-level visits, and one of those was always on the horizon during my tenure on the Desk. The president's national security adviser has a direct interest in teeing up these visits. This means that the NSC takes an active part in all significant policy issues, leaving the Desk to manage the day-to-day relationship and, especially when there was a crunch for briefing papers, to act informally to support the small NSC staff. In 1996, shortly before I took over the Desk, the NSC had tried to establish a high-level dialogue, in part to get above the forest of issues and problems and get into the clear air of high strategy. This led to direct insertion of NSA Tony Lake into the dialogue. The nearest counterpart that could be found on the PRC side was Liu Huaqiu, who was director of the State Council foreign affairs office. Lake's meetings with Liu came at roughly the same time as the Strait missile crisis in 1996, and this had the effect of further reinforcing the NSC's hold on China policy.

My experience was that the important policy work was done by a small group composed of the NSC deputy for Asia (Sandy Kristoff during most of my tenure), the NSC China person (Bob Suettinger, then Jeff Bader), the EAP DAS for China (Jeff Bader, then Susan Shirk), and Al Romberg, who had the China portfolio in the State Policy Planning Office. They provided the interface to the seventh floor (the policy level) in State, and to the president's national security adviser at NSC. They also made the trips to China to advance important visits. Significant developments in policy or in public diplomacy came out of that group. State, with its manifold responsibilities and relatively ponderous and multi-layered structure, really played second fiddle to the NSC when it came to China policy. The NSC has a lean bureaucracy, and has the pick of State's China people to staff its effort. Half way through my tenure on the China Desk, Susan Shirk came in from academia to fill the China DAS position at State. I think that it was extremely difficult for

her to learn in a short period of time what she needed to know about the Washington environment and at the same time establish a working relationship with this small group that was formulating and packaging our China policy.

We had an awful lot of high-level visitors in those days in both directions. Chinese president Jiang Zemin visited the U.S. in October 1997, and President Clinton visited China in June 1998. These summits always involve intense preparations, where all aspects of the relationship are examined, with a focus on possible "deliverables" – agreements, for example, that can be pushed to completion and lend the visits some substance. In both cases, after the summits we prepared multi-page "fact sheets" on achievements that were catalogues of the broad sweep of the relationship. They covered areas such as weapons non-proliferation, regional stability, peaceful nuclear cooperation, human rights, political and security dialogue, military-to-military relations, promotion of the rule of law in China, cooperation in law enforcement, economic and commercial relations, energy and the environment, and science and technology.

We had a number of other high level visits as well. The vice president, Secretaries of State Christopher and Albright, and CIA Director Deutsch visited China. We had corresponding visits in this direction by China's foreign minister and its national security advisor. The U.S. president and the Chinese president always meet during the annual APEC meeting. There was also a real spike in congressional visits to Beijing. I think during a six-month period, about 20% of the members of congress visited Beijing, which was much more of a load for the embassy in Beijing than for us, but we had to provide briefings and prepare trip materials and all that. We prepared lots of testimony on the Hill. There were a number of meetings with the Chinese on non-proliferation. The Hong Kong reversion really took a lot of time and effort.

Q: After all, Hong Kong was between the British and the Chinese. What was our role, other than as an observer?

LANGE: We asserted ourselves for two related reasons. First is our abiding compulsion to spread our political culture -- liberal democracy -- wherever possible. Secondly, we have assumed a global role as judge of the state of human rights. Remember that every year we publish well over a thousand pages of text on how think other people in the world are behaving with respect to human rights. We took an interest, almost a proprietary interest, in human rights in Hong Kong. Hong Kong had not drawn much human rights attention during over 140 years as a colony of Britain, but it captured our imagination now that it was reverting to the sovereignty of "Red China". Hong Kong had become a success story, really a poster child of laissez-faire capitalism, a free wheeling environment that capitalism hasn't enjoyed in this country since the days of the robber barons. It exhibited the sort of freedom of expression that one would expect to see in any place that had been absorbed into the British system. With reversion to Chinese sovereignty in the offing, Britain had recently begun to allow limited exercise of the right to vote. The Chinese and British had reached agreement in 1982 about arrangements for reversion. In 1992, Congress passed the Hong Kong Policy Act, which mandates an

annual report by the State Department on how well China carries out this agreement with the British, with particular attention to Hong Kong's autonomy, specified in the 1982 Sino-British agreement in very broad areas. Hong Kong is to maintain its own customs territory, which means it has its own trade laws. It handles its own immigration and issues its own passport. In any number of lesser ways, it does maintain a separate identity. A process is specified by which Hong Kong people will progressively exercise more direct say through the vote in the selection of a legislative council and a Hong Kong chief executive. The process is deliberate, too slow for some in the U.S. and some in opposition parties in Hong Kong. There were also doubts about the democratic credentials of the first chief executive, who was a business tycoon. He was Beijing's pick, and this rankled among those who thought Hong Kong should be as independent as possible. My view is that in the real world, it made sense in those early, uncertain days that whoever was chief executive in Hong Kong, where China exercises sovereignty, should have a good relationship with Beijing. Otherwise it wasn't going to work.

Given its iconographic status, there was a great deal of attention in this country to Hong Kong. There was pressure from some quarters on the Hill that the United States should declare that Beijing was in breach of the terms of the '82 agreement with the Brits, even though the party directly involved, Britain, was not going to take that step. We decided not to involve ourselves in that question, I think wisely so. Considering all of the doubts that the PRC organism would be able to tolerate the introduction of Hong Kong into its system, or that Beijing might smother the goose that was laying golden eggs, the reversion went pretty smoothly. The PRC handled it carefully. For the reversion ceremony in June 1997, Madeline Albright went to represent the United States. The Chinese army had sent a token garrison, but they stayed in their barracks at the time, and I believe there continues to be little outward sign of a Chinese military presence there. Hong Kong had considerable economic difficulty growing out of the 1998 Asian financial crisis, but had a period of recovery from that and generally speaking has done pretty well financially and politically, much better than I think critics had anticipated. The long term is another question. As other Chinese coastal cities, notably Shanghai, become economic powerhouses, they could become effective competitors. Hong Kong's boom years may not return.

Politically, there are certain areas where Beijing is extremely sensitive and where the authorities in Hong Kong are going to respect that sensitivity. Advocacy of Taiwan or Tibet independence, for example, will continue to be neuralgic activities in Hong Kong. But Hong Kong these days is much lower on the radar screen than it was during those years leading up to reversion to China.

The reversion of Macao from Portuguese colonial rule to Chinese sovereignty at the end of 1999 occasioned much less attention from us. It has a much smaller population than Hong Kong and is not very significant economically. Also, the Portuguese have made less pretense of democratic process in their colonies than the British have, so it presented a less compelling object of human rights concern.

There is a broader significance to Hong Kong. In the early days of the reversion, Taiwan was at pains to point out that Beijing's policy of "one country, two systems", as applied to Hong Kong, is not a model for Taiwan, and that's quite true. However, Hong Kong is a test for how well Beijing can handle incorporation of a radically different system. Can it manage to keep its hands off? Can it show tolerance of an entity that is much different than anything else on the mainland? In general, can it show that it is able to deal in a flexible way with something that it claims is part of China and in that way begin to develop the sort of trust that is necessary to work out similar, perhaps even more flexible arrangements with Taiwan? On the face of it what Beijing offers Taiwan seems not all that bad. The Beijing leadership has said Taiwan can maintain its own military, keep its own flag – many features of separateness, but without sovereignty. Maybe Beijing would even be willing to work out arrangements for Taiwan participation in international organizations, but that seems a distant hope for now. As I have earlier indicated, both sides look at international organization as a zero-sum game. There is no sign of an emerging will to compromise.

Q: What about Tibet during this '96-98 period?

LANGE: Tibet has captured the imagination of the West, particularly Hollywood. Orville Schell, China scholar and Dean of the Graduate School of Journalism at Berkeley, wrote a nice book on the subject: "Virtual Tibet: The Search for Shangri-la from the Himalayas to Hollywood." I'm sure you're familiar with the current situation. China occupied Tibet in 1950. In '58, the Dalai Lama escaped to India and has been in northern India ever since with a large number of his followers and a government in exile. He also has the stature of a Nobel Peace Prize winner and is a legitimate and compelling religious figure. There's widespread sentiment in the West that Tibet deserves to be an independent country and a sense that Tibetan culture is being compromised, not only as a result of explicit Beijing policy but because of settlement in Tibet by large numbers of Han Chinese – not out in the countryside, but especially in Lhasa, the capital. The Dalai Lama has effective representation in the United States and the Tibetans have good relationships on the Hill. In many respects Americans have fallen in love with what Schell terms "virtual Tibet," that is, our projection of a fantasy Tibet.

Q: Shangri-la refers to a book by James Hilton; it came out in the 1930s.

LANGE: Yes, Lost Horizon, in 1933. It was, by the way, the first paper-back book ever published. Shangri-la is an other worldly place, a utopia. People are kind to one another, and life is reflective and rewarding. During the time that I was on the desk, there was an initiative on the Hill to pass legislation mandating a special envoy for Tibet. Now the title "special envoy" conveys a certain officiality. It implies in some sense a recognition that Tibet deserves independence. It was something that, in the judgment of the Department, was not wise and would not promote resolution of the Tibet problem. So in due course, the Department in order to preempt such legislation decided to appoint a "special representative" for Tibet. The person selected for this position was Greg Craig, who at that time was director of Policy Planning. This was years before Elian Gonzales episode,

when Craig received much wider public exposure. The rationale was that China and the United States had any number of reasons for Greg Craig to interact with his counterparts in China. We had strategic interests in common that we had a mutual interest in discussing, and therefore, the thinking went, the Chinese would be encouraged to deal with Craig and this might promote his acceptability to them as a Special Representative for Tibetan Affairs. It didn't exactly work out that way. The Chinese were very hardheaded about it. To the extent that they dealt with Craig, they attempted to ensure that he would not try to discuss Tibet with them because in their view there was nothing to discuss. It was better than legislation mandating a special envoy, but it didn't really advance our interest in promoting dialogue between Beijing and the Dalai Lama.

Q: What about weapons proliferation? What were the Chinese doing? We got political and we got quite involved during this period.

LANGE: There are a couple of different aspects to this. One is that Chinese firms or entities were engaged in shipping bad stuff to bad people without the explicit authorization and perhaps even without the knowledge of the central government. The other aspect is the extent to which they knowingly assist countries that in our view should not be assisted. That typically applies to Pakistan, both in the nuclear area and in delivery vehicles; i.e., missiles and missile technology. This gets to be very technical, and I personally did not participate in proliferation discussions with the Chinese. The question can turn, for example, on the very specific provisions of the Missile Technology Control Regime –our understanding of what they mean and the Chinese understanding of what they mean. Clearly they skated on the edge with respect to Pakistan. On the other hand, they cooperated with respect to Iran, to which they were sending cruise missiles and where they took steps to end that relationship. This was not easy for China, in terms of its relationship to Iran. It also clearly had a more benign view of Iran than we did. The overall picture is a mixed one - some successes, some areas where we still have a lot of work to do, and a very difficult dialogue. Here is where you come up against Chinese pride, and their sense they're being subjected to standards that we don't subject ourselves to. We identify the bad countries in the world and expect others to agree with us, that sort of thing. It's a very, very tough sell. The other complication is Taiwan. The opening Chinese response in any discussion of proliferation is Taiwan. They always try to leverage our interest in other areas into concessions on arms sales to Taiwan. They would not even accept this characterization – "concessions". In their view, they are calling on us to meet our commitments under the 1982 communiqué on arms sales to Taiwan.

Q: Now their motivation, irrespective of the Taiwan thing, to Iran, Pakistan and all, would you say that their interest was projection of power or was this commercial?

LANGE: It was a combination. It's actually quite similar to our own situation: Commercial interests find the arms trade lucrative; they sell arms to make a profit. Many Chinese parastatal organizations with arms to sell are on a commercial basis. Their prosperity depends on the bottom line, much like Boeing or Lockheed Martin. Governments permit arms sales if they are consistent with their efforts to exert

geopolitical influence. In the case of Pakistan, there's a long historical relationship dating back to China's confrontation with India in the 1950s. In the case of Iran or other countries in the Middle East, it's interests similar to our own – securing relationships in the region that are going to be longstanding and help them secure sources of petroleum. We've demonstrated that we're prepared to go to war over oil, and we'll almost certainly do so again in the future, so it's not surprising that China is prepared to develop arms sales relationships toward the same end. China also has an interest in relationships with the Muslim World that might help to counterbalance Muslim separatist efforts in China's Far West.

Q: How did you, in this, you had moved from the Taiwan to the China desk, how did you view the effectiveness of the Beijing embassy as opposed to the Taiwan representation? How did you find the PRC representation here in Washington?

LANGE: Beijing? It's not good. They are backward, and the investigation into the '96 fundraising probably set them back even further. They still have a feeling that they don't quite understand the rules, and they have a clear sense that a different standard is applied to them. This is particularly the case now that Taiwan has drawn closer to our own political value system. There's a certain maladroitness in the way the PRC reps present their case. Sometimes it's even a failure to present their case. I've heard staffers on the Hill, even sympathetic staffers, tell me - "We haven't heard from these guys." They lack confidence. They lack fluency in the language of the Hill. They feel constrained in a way that people from Taiwan don't. They always hew very tightly to policy lines, and this often comes off as strident and uncompromising. They're just not very good at playing the Washington influence game.

Q: I've heard some of the same, not quite those terms, but some of the same of the Indian representation in the United States. While the Pakistanis are ready to go out and be called by their first name. They'll talk to anyone. The Indians want to talk to somebody of exactly the appropriate rank and all. And once you do this, you're not going to get very far within the Washington scene. You want to be able to have the ambassador sit down and be able to lunch with a couple of staffers on an important committee or something like that. They can't respond to this type of thing.

LANGE: The current Chinese ambassador, Li Zhaoxing, came up through the interpreter ranks, not unusual in the Chinese system, and his English is very good. On a one-to-one basis, he can be quite charming. But in his public appearances, he often sounds as though he's reading from his instructions and speaking for Beijing ears. One of the reasons the previous ambassador who was here in '95 took a real hit was failure to understand Washington, and to foresee the Lee Teng-hui visa decision. It was a glaring example of their inability to read us inscrutable Americans. A few weeks prior to our decision that Taiwan's president could come to Cornell, there was a meeting in New York between Chinese Foreign Minister Qian Qichen and Secretary Christopher. Naturally, Qian asked about all of the media stories about pressure to issue Lee a visa. Christopher's response was that it's the Administration's policy that we will not agree to this visit but, he went

on (I paraphrase), "you have to understand that there is terrific pressure on Capitol Hill. The two houses just passed two resolutions virtually unanimously." As we read the account of the meeting, we thought to a person that Christopher was trying to convey the real situation. To us, the true meaning of his words was that, "This is the policy today, but tomorrow it could change; you'd better alert Beijing that things could change." It went right over their heads; the Chinese didn't understand it at all. They undoubtedly reported back to Beijing that they had a fresh, firm assurance from Secretary Christopher that Administration policy is that there won't be a visit by Lee. They truly didn't understand. At the working level, we couldn't give them a clear heads up. Policy is policy, until leadership decides it is no longer policy. The Chinese really felt that they had been badly misled. The Chinese ambassador had to go back to Beijing, and he was still bleeding when he returned to Washington. I think any ambassador here now must feel like he has to be extremely aggressive in pressing Beijing's agenda.

Q: And it doesn't work. I mean that's just the wrong way to go about it.

LANGE: It wasn't long after this that a great brouhaha arose over alleged Chinese attempts to improperly influence our political process, and the ensuing campaign finance investigation. I thought from the time of the first media story, which was based on leaked intercepts, that the information was ambiguous and after storm and fury would still not lead to a clear conclusion on the facts. That was in fact the outcome, but the episode was an invitation to those inclined to "demonize" China in any event to put the worst face on the evidence, such as it was. The irony is inescapable: Lee Teng-hui to Cornell happened in part because the PRC hadn't a clue how to influence or even interpret American political events. When they tried to beef up their ability to play the game, even though that effort may have even been legitimate, that also blew up in their face.

Even had the Chinese been knowledgeable and able in the ways of Washington, I'm not sure how much they could have done, given an atmosphere approaching hysteria. Scandal piled on scandal, invariably hyped by partisan politics. There were the campaign finance and political influence investigations on John Huang, Maria Hsia, Johnny Chung and Charlie Trie (Chinagate, Donorgate). I think that all of these people were essentially influence peddlers, not sinister agents. Congressional investigations and hearings, headed by Fred Thompson on the Senate side and Dan Burton on the House side, churned the water furiously but in the end came up with no persuasive evidence, in spite of illegal campaign finance activity, to support wild allegations that the Chinese had affected elections. Then there were national security issues raised over involvement in trade of companies controlled by Chinese military units, allegations of assistance to Chinese missile design by U.S. companies Hughes and Loral, and a story that Wen Ho Lee had obtained nuclear secrets from the Los Alamos labs. There were even notions that acquisition by a Hong Kong company, Hutchison Whampoa, of port facilities at either end of the Panama Canal constituted a potential security threat. A select committee headed by California congressman Chris Cox examined all these issues. The Cox Committee findings were dispiriting, not because of the findings *per se*, which could have been anticipated, but because they were the antithesis of careful and objective inquiry.

The report reached dark and categorical conclusions about China's spying activities in the U.S., which rested however on poor analysis and on worst-case assumptions with respect to every ambiguous piece of information. Academics and others discredited the committee's work, but the damage had been done. Well, perhaps this overview serves to give some sense of the noxious climate in which we were trying to conduct relations with China.

Q: This might be a good place to stop. You then left in '98.

LANGE: That's when I retired. Before we retire from this, though, I mentioned at the outset four big issues that occupied us from '96 to '98. We haven't devoted much attention to human rights or trade.

Human rights occupied one desk person full time, and it suffused nearly all activities on the desk. At any one time, we were likely to be actively engaged with one or more specific cases, e.g., Harry Wu and prison labor, detention of religious figures in China, suppression of speech, high profile political prisoners, the Falun Gong issue, alleged traffic in human organs. There was always something. It was always a component of high-level meetings. We tried to engage the Chinese, and we tried to exert pressure. Production of the human rights report on China was an annual ordeal. Where did the emphasis belong? Was it on the historical context, in which the experience of the typical Chinese looked quite favorable, or on a universal standard, against which many human rights practices fell short? Typically, those who produced the draft in our embassy were impressed by improvements and the unprecedented enjoyment of human rights in some areas, while the Washington human rights bureaucracy looked through the prism of the human rights professionals, including the non-government organizations. Three-way drafting battles shifted back and forth among the embassy, the desk, and the human rights bureau (DRL). Sometimes, specific issues got to the assistant secretary level. It seemed that no entry could be dropped in subsequent years. The report got longer and longer and the process more excruciating.

After my retirement, I went to annual meetings in Geneva of the UN Commission on Human Rights to help push for a resolution addressing human rights in China. We had tried for several years to pass such a resolution but had come close only once, in 1995. China assigned a high priority to defeating the resolution and used a combination of enticement and threat on the other delegations, many of which recognized that they themselves could one day be the subject of a country-specific resolution. China argued that a confrontational resolution was not the way to influence human rights behavior and that, regardless of who joined us as cosponsors, the U.S. was trying to impose its human rights standards on others. Every year, a majority of commission members, whatever their views of human rights in China, decided that it was not in their interest to vote for a China resolution. Some human rights advocates argued strongly that the act of presenting such a resolution had a beneficial effect on human rights in China, but after a decade of unsuccessful campaigns, even some non-government organization NGO reps at the Geneva meeting told me that losing efforts were becoming counterproductive.

Our bilateral efforts to deal with human rights met with mixed success. Between 1996 and '98, our bilateral "human rights dialogue" was on hold, in part because of a controversial meeting in earlier years that State's assistant secretary for democracy and human rights, John Shattuck, had set up with a dissident during a visit to Beijing. We made some headway on separate human rights initiatives – the beginnings of a program to promote rule of law in China, obtaining agreement for a visit by a delegation looking into religious freedom – but progress was fitful. One tempting initiative, particularly in advance of high-level visits, was to secure the release of high-profile political prisoners. Many of us were skeptical about the wisdom of submitting lists of such prisoners to the Chinese, since they could always present any releases as gestures of good faith, with little or no significance to the larger human rights picture. Moreover, the releases were always on "medical" grounds, for treatment outside prison but with the understanding that treatment would be sought abroad; the prisoners were subject to reincarceration if they attempted to return to China. The Chinese thus skirted the potential problem of releasing these dissidents back into Chinese society. We managed to get Wang Dan and Wei Jingsheng out in this way. The case of Wei Jingsheng is instructive. He had captured the imagination of the West, because of his personal courage and implacable challenge to the Chinese authorities. He was the dissident with whom John Shattuck had met earlier. But he was largely a solitary figure, not high educated – which counts for much in the Chinese context – and he did not have strong connections to the expatriate Chinese dissident community. He has not learned English. He has a research position, I think at Harvard, but he has not been able to establish a life for himself outside that of a sort of professional Chinese dissident. By releasing him, China rid itself of an irritant in the U.S.-China relationship at little cost.

What makes human rights such a difficult issue between us? For some Americans, China is a highly visible outlier in an international human rights structure. Other Americans are committed to a particular aspect of human rights; e.g., religious freedom, and China has long been a target of Christian missionary effort. At root, I think, is the sense that Chinese human rights practices represent American failure to promote our values and institutions – an explicit rejection of what George Kennan, for example, has identified as our messianic notion about U.S. responsibilities in carrying out its foreign relations. In a related way, large numbers of Americans regard promotion of human rights in China as a tool to weaken the hold of an ideology that is corrupt and against which we were pitted during half a century of Cold War.

The Chinese authorities view our emphasis on human rights as an element of a long-term policy to change their system. On the most obvious level, certain manifestations of human rights, such as freedom of speech or assembly, could turn into threats to the control of the Communist Party of China, and self-preservation dictates resistance. But there is a more broadly Chinese factor at work, a Chinese aversion to *luan*, or disorder, and a substantial emphasis on collective rights. For traditional Chinese, Western emphasis on individual rights comes across as self-indulgent and, well, foreign. Resentment of foreign efforts to impose change has a long history, predating the Opium Wars of the 1840s. For all of

these reasons, I think that we are well served to be patient, and to allow indirect influences – the Internet, growing prosperity, interaction of trade and foreign investment, and student exchange – to induce change from within. Unfortunately, our system favors results in four-year cycles. When administrations argue that contact and engagement would bring beneficial change to China, and administrations uniformly make such arguments, they are within two or three years called upon to explain why change has not yet manifested itself. Patience is not one of our virtues.

Trade seems likely to cause friction for the indefinite future. China has a nearly inexhaustible supply of cheap labor and a rapidly improving technological base. We have a seemingly unlimited appetite for finished goods and the ability to buy them, at least as long as other countries are willing to finance our consumption by buying our debt. That adds up to a chronic and growing trade deficit for us, and to pain for specific sectors such as textiles. It may be true, as economists believe, that bilateral deficits don't matter; but as long as the overall balance is in chronic deficit, huge bilateral deficits are difficult to defend at the political level. From time to time, there have been efforts, legislative or otherwise, to deal with particular pieces of the trade problem on a bilateral basis. Hopefully, with China's accession to the World Trade Organization, we will be able to manage some of the trade issues on an international basis.

China trade and human rights issues met, until China joined the World Trade Organization in 2001, in the annual ritual of most-favored nation (MFN) hearings. The Jackson-Vanik Amendment to the U.S. Trade Act required a certification that communist countries such as China were not hindering emigration. This was a hangover from the period when the Soviet Union was preventing Jews from emigrating to Israel, but notwithstanding the language of the law, it had mutated over the years into a broad examination of human rights practices in communist countries. The congressional and editorial debates on the pros and cons of MFN for China – whether extending it or withholding it was more likely to bring about positive change in China – were repeated year after year. The annual renewal effort engaged all of the economic agencies for months and generated reams of congressional testimony. The outcome was always the same – renewal of MFN for China – but only after exhaustive and extravagant application of bureaucratic and political capital, from the White House on down. The exercise became part of the landscape, and many in the media and on the Hill regarded it as an opportunity to get in their licks on China. As one member of Congress said, it had become a habit. Perhaps one can understand Deng Xiaoping's confusion about the source of this annual uproar and, upon being informed that the U.S. law in question called for freedom of emigration, his bemusement. He suggested that China would be willing to part with a million or so Chinese emigrants if the U.S. would take them.

U.S.-China relations have been characterized by wide swings of the pendulum. During my first involvement, 1980-85, there was great optimism, even euphoria, about the future of the relationship. During my second involvement, 1994-98 (including my period as Taiwan coordination advisor), we seemed to lurch from crisis to crisis, and to be continually called upon to justify a non-confrontational relationship with China. Even a

neutral characterization of the relationship is hard to find. The last-minute product, in connection with preparations for the 1998 Clinton visit to China, was that the U.S. and China were "...working toward a constructive partnership." The media truncated this for public consumption, dropping the "working toward" element, and making it appear that the Administration was overselling the relationship, or naive, or perhaps both.

I would like to be hopeful that we can smooth out the ups and downs of U.S.-China relations, but I am actually not very sanguine. We do have some interests in common. One of these is an interest in stability, which argues for common cause in places like the Korean Peninsula, for economic and trade growth, against regional terrorism, and against proliferation of WMD, even though we may differ on the particular elements of controlling proliferation. On the other hand, China is clearly a rising power, one that will become increasingly important in the region, while we are committed to asserting our interests in the region, including through forward deployment of military forces. On both sides, nationalist sentiments run high. On Taiwan, it is difficult to anticipate resolution of our differences, and there are clearly forces acting to exacerbate those differences. Most fundamentally, China seems unlikely under the current order to embrace our notions of governance and social interaction. Even a new Chinese order, which would probably not come about without a period of disorder or even chaos, might fall short of our ideal of a liberal democracy.

A constructive relationship is clearly in the mutual interest of the U.S. and China. Given the forces continually heating and cooling these two bodies, it falls to the State Department to anticipate and modulate sudden shocks, and to keep the relationship on track.

Q: Well, this has been very good.

End of interview