The Association for Diplomatic Studies and Training
Foreign Affairs Oral History Project

AMBASSADOR EILEEN A. MALLOY

Interviewed by: Charles Stuart Kennedy
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TABLE OF CONTENTS

Background
- Born in New Jersey, raised in New Jersey and Connecticut
- Georgetown University
- Summer Exchange, Leningrad, USSR
- Marriage
- New York City: Employee, Dunn and Bradstreet
- Entered the Foreign Service in 1978

London, England: Consular Officer 1978-1979
- Local Staff
- View of consular work
- Embassy morale
- Ambassador Kingman Brewster
- Iranian student demonstrations
- Cost of living
- Environment

Moscow, USSR: Consular Officer/Science Officer 1979-1982
- Jewish and Armenian refugees
- Environment
- Soviet Harassment
- Soviet dissidents
- Ambassador Tom Watson
- Burgess and MacLean
- Marina Oswald
- Fake Soviet science awards
- Hospitalization experience
- Central Asian nationalities
- Soviet women's problems
- Soviet invasion of Afghanistan
- Soviet investment in Central Asia
- US Information Agency (USIA)
- Pentecostals

Consulate General, Calgary, Canada: Head of the Consular Section 1982-1985
- Oil and Gas
- Mormons
- Environment
- Relations
- Working environment
- Family issues
- Consular cases
- Gorbachev visit
- Relations with Embassy
- Consul General
- Canadian government
- Marriage

State Department: Bureau of Consular Affairs, Executive Office, Latin and South American Affairs 1985-1987
- Staffing of Consular Offices
- Fortifying offices
- Automation
- Training of spouses
- Growth of consular work

Dublin, Ireland: Chief Consular Officer 1987-1988
- Ambassador Margaret Heckler
- Visa load
- Congressional pressure on visas
- AIDS testing
- Change in national quota system
- Economy
- Irish working habits
- Provisional Irish Republican Army (Provos)
- IRA
- A Unified Ireland ?
- Northern Ireland

Moscow, USSR: Arms Control Implementation Office 1988-1990
- Reducing nuclear weapons delivery vehicles
- Working with Soviets
- Verification issues
- Soviet missile sites
- Cargo scanning devices
- Soviet problem with women officials
- Soviet and US Military relations
- Soviet Military and Foreign Office relations
- Soviet think tanks

Soviet English language facility
Computers
Working environment
Intermediate range nuclear forces treaty (INF)
Working with Soviet Foreign Office
Soviets missile destruction
Jane Miller Floyd
Ulan Ude visits
Soviet infrastructure
Workings of the INF Treaty
Disposal of chemical weapons
Soviet health problems
Anti-religion policies
Unverified threat against US air carrier
PanAm Flight 103
Birth of daughter
Boris Yeltsin
Citizens' views of communist system

State Department: Senior United Kingdom Desk Officer 1990-1992
Margaret Thatcher
Duties
Visit of Queen Elizabeth
British Embassy
British-American issues
Working with other US government agencies
Memos to NSC and White House
Visits of Heads of State
Gulf War
Non-Proliferation Treaty
Briefing the Secretary of State
Election of Prime Minister John Major
British Embassy Officers
Gulf War
US and UK Press
Variety of daily issues
Travel Advisory System (Visas)
Pan Am 103 (recovery of effects)
Sinn Fein

State Department; Office of the Under Secretary for Political Affairs; Former Soviet Union and Arms Control 1992-1993
Bosnia
Group of Seven
Work load
Switch from cables to computer

European involvement in former Yugoslavia
Dissent channel
Suggestions of genocide
US policy re arms to Bosnians
UN peacekeepers
G8 Political Directors meetings
Former Soviet Union countries
Soviet Union (former) Nuclear weapons
Russian domination
Assistant Secretaries' involvement in policy
Clinton Administration changes in operations
G7

State Department; Chief of Staff Secretariat 1993-1994
Operations
Paper load
Streamlining paper flow
Servicing the Secretary
Staffing
Support for UN Ambassador Madeleine Albright
Secretary of State Warren Christopher
Appointment as Ambassador to Kyrgyz Republic
Confirmation hearings

Ambassador to Kyrgyz Republic 1994-1997
Capital Bishkek
Embassy facilities
Environment
President Akayev
Relations
Government
Letters of Credence "Fork in the Road"
Religion
Iranian largess
Islam
Foreign education support
Wahabis
Peace Corps
Living conditions
Missionaries
USAID programs
Language
Ethnic Russians
Trafficking in people
Mail order brides
China

Ethnic groups
Soviet pipelines
Embassy morale
Health issues
UNICEF
Foreign embassies
Soviet legacy
John Bolton
Problems with USAID contractors
UN Development Program
European Union's foreign Assistance
Non Government Organizations (NGO.s)
Social customs
"Gifting"
Embassy staff
Status of Kyrgyz women
Cultural differences
Planning new Embassy
Assassination attempt
Security
Transformal Diplomacy
Soviet cultural overlay
Kyrgyz development projects
Gas and oil resources
Family
Female swimming outing
President Akayev's Washington visit
Kyrgyz American University
"Year of the Gore" mix-up

Deputy Assistant Secretary for East and Central Europe 1997-1999

Work load
Former Yugoslav republics
Kosovo conflict
Marc Grossman
Chris Hill
Dayton negotiations
Proposals for US military intervention
Milosevic
Bombing Chinese embassy
Working with Balkan governments
Macedonia
Western European participation
Refugee flow
Julia Taft
Refugees in Switzerland

"Friends of Romania"
Bulgaria
Arms transfers
Poland
Albania
Slovakia
Slovenia
Ukraine
Work at Foreign Service Institute
Canada plane crash
Work exhaustion
Methods of operation

Department of Energy: Office of the Assistant Secretary 1999-2001
Nuclear programs
Bureau operations
Russian enriched uranium
Nuclear Cities Initiative
Bureau organization
Secretary Bill Richardson
Soviet scientists
Working with Congress
Contractors
Working with Russians
Visits to Russian facilities
Russian closed nuclear cities
Year 2000 (Y2K) programs
Non-proliferation agenda
Iran nuclear program
Russian international geologic depository
Competence of personnel
Russian negotiation methods
Cooperative Threat Reduction Agreement
Gore-Chernomyrdin Commission
Russian paranoia re site inspection
Former Soviet Union nuclear material
Scientific Scientific Agreements
Planning for end of cooperation agreements
Nuclear fuel cycles
Pricing nuclear power plants
Chernoble
Core conversion projects
Solar energy
Cooperative nuclear monitoring
Russia's nuclear submarines
National Security Decision Directive

Russia's uranium sales to U. S.
Visit to Kamchatka nuclear submarine base
International repository for spent nuclear fuel
Denver Geologic Repository Conference
Adamov
Relations with Richardson

State Department; Office of Recruitment and Examination 2001
Study of recruitment, examination, placement and promotion policies
Diplomatic Readiness Initiative
Murder of Kyrgyz friend

Sydney, Australia: Consul General 2001-2004
Government
Security
9/11 repercussions
Local Moslems
Consular operations
Media
Ambassador Schieffer
Resident Americans
Consulate Staff
Environment
VIP visitors
Consulate skyscraper offices
Australian-American Leadership Dialogue
Reporting
American business community
Relations with Embassy
Foreign trade
Defense relationships
Nuclear issues
U.S. Naval visits
Cultural exchanges
Family
Iraq issue
Guantanamo
Economy
Norfolk Island
Political Parties and leaders
US Naval visits
Foreign communities
Universities
Personnel Exchange Program (PEP)
Threat of assessment after 9/11
Security

Reaction to Iraq War
Growing anti-Americanism
Environmental issues
Sydney Opera House
Changes in visa program
Drop in travelers to US
Terrorism
New Zealanders
Great Barrier Reef
Bali bombed
Husband's activities
Public Policy
Sports
Plane bomb threat

New Orleans, Louisiana: TDY, Hurricane Katrina Task Force 2004
Protecting Consular documents
Operations
Firefighting
Foreign assistance offers
Federal Emergency Management Agency (FEMA)
Medications
Food
National Disaster Response
Local governments refuse USG help
Accomplishments

State Department: Office of the Inspector General 2004-
Jordan Inspection
National Security Decision Directive #38
Inter-Agency Cost Sharing System (ICASS)
Temporary Duty employees
Security surveys
Singapore, Malaysia and Brunei
Ranking Defense Officer
Security Agencies
Local employees
Consular issues
Post descriptions
Pakistan
Security
Ryan Crocker
Bureau of Diplomatic Security
Columbia
Programs
Weapons storage

General comments
Women
Intergenerational problems
US emphasis on global, moral issues
Expansion of embassies
Moscow
City changes
Embassy growth
Language deficiency
Local employees
Russians discomfort with democracy
Comments on Global Outlook Program (GLOP)
Comments on Regional Bureaus

INTERVIEW

Q: Today is the 3rd of November 2008 and this is an interview with Eileen A. Malloy and it's E-I-L-E-E-N A, stands for what?

MALLOY: Anne.

Q: Anne. With an N-E or an A-N-N?

MALLOY: With an E.

Q: A-N-N-E. Malloy, M-A-L-L-O-Y. And you go by Eileen.

MALLOY: Yes.

Q: Okay. Let's start at the beginning. When and where were you born?

MALLOY: I was born in Teaneck, New Jersey July 9, 1954.

Q: Okay. Can you tell me a little bit about your family, let's start on the Malloy side? Then we'll go on your mother's side.

MALLOY: Okay. My father was born late in his father's in life. His father hadn't married until his fifties because he had gone off during the Spanish-American War to fight in the U.S. Army in the Philippines and ended up staying on there and opening a series of businesses. So it wasn't until his fifties that he met and married my paternal grandmother who came from Scranton, Pennsylvania area. So my father was born when his dad was 52, 53, something like that, in 1932 and had a younger sister a year later. And then both his parents died by the time he was in first year of high school. So he and his sister were left to the tender mercies of a team of lawyers who acted as their trustees and

sent them both off to boarding school and shut up the house, and so my father never really had a traditional family.

Q: Do you know where the Malloys came from? It sounds Irish. Was it Irish or not?

MALLOY: Yes. I know that my paternal great-grandfather immigrated from Ireland. He came in through the back door, went down the Saint Lawrence Seaway and crossed the border from Canada and settled in Minnesota near a small town called Red Wing. He eventually married another Irish immigrant who happened to have been born in New Brunswick, Canada to Irish parents and then immigrated again to Minnesota. They got a land grant in the 1800s, then had a small farm in Minnesota and had six, seven children, the youngest being my paternal grandfather. His father died in an accident in a train yard where his father was a night watchmen, I believe. He was hit by a train. That's probably why my grandfather lied about his age and joined the army and went off to the Philippines. So by the time he came back, fifty years later, he had no real contact with his relatives in Minnesota.

Q: What type of business was your grandfather in in the Philippines?

MALLOY: Initially he worked for U.S. customs, which of course ran the Port of Manila. He was a photographer and took some excellent pictures of the Port of Manila pre-World War Two, which are some of the few still remaining. I recently sent them off to the Philippines so they could have them in their museums. Then, at some point, he went into business making buttons out of shell. He sold that business and went into the fine lace embroidery tablecloths, things like that and exported to the U.S. There's still a building in Manhattan that has his name on the front of it because it was quite a large business.

He had a brother come over and work with him who then died in the Philippines. At that point he took his wife, my father, and my aunt back to the Philippines to run the business because the brother who was in charge passed away. We have some great artifacts of that trip. I have photographs. My father must've been five, my aunt four. They did the grand tour through Singapore and China, Japan and on down to the Philippines, and I recently, two years ago, got to go back and visit where they lived in Manila. Their exact house is no longer there. It was destroyed by the Japanese, but an identical house right down the road still lived in by a lady who's been there since before the war. She invited me in; I got to take pictures and come back and show my dad, which was kind of fun.

My grandfather got a message from a business contact in Japan that he would be wise to remove his family from Manila. So he sent my grandmother, father and aunt home. He stayed behind, packed up the business. He came back, everything he owned was on ships in Manila harbor waiting to leave, and my father told me the Japanese destroyed it all. Subsequently I found out the Japanese destroyed the factories on the ground, but it was the U.S. military that commandeered all the ships and had the contents dumped in the harbor. So he had a double whammy, both the Japanese and the U.S. governments wiped him out.

My grandfather went into decline. He was by that point older, in his sixties. He had a stroke and died. I can remember as a child in the '60s my father getting reparations from the Japanese government for the factories, very small amount of money. So our foray in Asia ended at that point. Everybody came back and settled in New Jersey.

Q: What about on your mother's side. How did your mother and father meet?

MALLOY: My mother's father, good solid upper middle class, worked for AT&T, the early AT&T. So they were well off, and I'm told that my grandmother worked with the equivalent of whatever was Dunn and Bradstreet at the time to identify suitable eligible boyfriends for her three daughters. My mother was one of six children, three boys and three girls, she being the oldest of the three. My grandmother invited said suitable young men. The Catholic, Irish Catholic community at that time, most of them went to private parochial schools. A lot of the socializing was done in the summers in the Catskills. My grandparents had a lake house, Tennanah Lake. So there was quite a shuffle between the New Jersey area and the summer home. My father initially was dating my aunt, the middle of the two girls. My mother was dating the man my aunt would come to marry. At some point the two girls switched, which all was for the best. It was a much better match. That's how they met, but, sadly, my mother passed away when I was four. So the love of my father's life, having lost his parents, he then lost his wife. He was left with two girls to raise, and being an avid hunter, fisherman, sportsman, he didn't quite know what to do with these two young girls. So we were raised by a man pretty much with a series of stepmothers. He was married four times.

Q: Good heavens.

MALLOY: Yeah. This one's working out very well.

Q: Okay. He's still going.

MALLOY: He's still going.

Q: On his fourth wife.

MALLOY: Yes.

Q: Did, could you, where did you live in, would you say, were they comfortable circumstances? Where did you sort of grow up as a young child?

MALLOY: I grew up in the house my grandfather had purchased in New Jersey, in Teaneck, which is just outside the George Washington Bridge. When he purchased it in the 1930s, it was the equivalent of being out in Leesburg here. It was way out. It was the country, nice setting for a family and everything. It was still pretty nice when I was growing up there, but it was beginning to get seedy. When we were, it must've been around the 7th grade, my father decided to move the family to Connecticut to get away from what he felt was the city of New York encroaching out onto this part of New Jersey.

When I go back now and I show it to my kids, indeed it's nothing like it was when I was growing up. Then it was a lovely area where on the block, all the backyards opened to the center and the kids had all sorts of playmates. The people who lived behind us had seven boys. The house next to us had six kids, lots of Irish Catholic families. So there's no shortage of people to play with. It was the rare neighbor who fenced their yard. Now it's really a very different place.

Q: Well, let's talk about how Catholic was your family. It sounds like this was a real Catholic neighborhood, but I mean, in growing up particularly sort of the early elementary, up through elementary school, how Catholic was your life and your family?

MALLOY: Well, I was sent to parochial schools through the 7th grade, Saint Anastasia, Teaneck, New Jersey and if you do an oral history with Ambassador Vince Battle, you'll find he went to the same parochial grammar school that I did at a different time period. So very, very Catholic up until the point in time when my mother passed away. My father was raised in a very Catholic environment and then sent off to Jesuit boarding schools. He went to Georgetown Prep School and Georgetown University and Fordham and always surrounded by it, but he himself non-practicing, didn't go to church on Sundays. So when my mother passed away and my father subsequently married a Protestant, that all started to go away. We no longer went to parochial school. We no longer went to church. I went off to Georgetown University, a Jesuit school, but I wasn't a practicing Catholic, didn't go to church on Sunday.

Q: Well, how as a, up to 7th grade you'd be about 13 or so. I guess. How did you find being in a school run by nuns and all?

MALLOY: It was a little strange because that period, in the 1960s the social mores were changing, and I should step back and mention my father's younger sister became a nun. The way she tells it is when my father decided at age 19 to marry my mother, that meant she, the sister would have to live with a wicked aunt who had moved into the family house to take care of them. The aunt was so horrible that my father's sister decided she wasn't going to do that, and she decided to enter the convent. As I was questioning nuns and how they could survive in what was the culture of the 1960s, I had an aunt who was in the convent so I understood perhaps more than the average person what would drive someone to become a nun. However in the early '70s my aunt actually left the convent having spent virtually her whole adult life there. So that confirmed my beliefs that this really wasn't sustainable, and indeed it hasn't been. There are very few young women going in now, and it's because they have options.

Q: You know being a secretary or it was also being a home keeper, as you say, looking after aged parents and all that.

MALLOY: Well, according to my aunt there was no socially acceptable way to avoid marriage other than to go in the convent. She did not want to marry. It was a very good life for her and she has great friends from the convent to this day. But I remember in the 8th grade asking one of the nuns what had become of a very pretty young nun with

striking red hair. This was the time period when they were beginning to push the veils back. So they no longer covered up absolutely everything. She had disappeared and I remember asking what happened to her. They were very upset with me, and I intuited that she had left the convent. So it was a time of change.

Q: Well, did you find that all these stories about nuns and rapping the kids on the knuckles and I mean there was all the nice nun and the nasty nun and all that did you run across that sort of thing?

MALLOY: Well, I remember in grammar school in Saint Anastasia's there was this rumored spanking machine in the principal's office, but no, I never, never had anybody physically touch me. That had pretty much gone away by the 1960s. The nuns would call upon the priest to come in and glower at us if you were really misbehaving. But when we moved to Connecticut, we spent a year at a parochial school in Danbury, the nearest one to the house. Danbury is a rough factory town. There was a whole different group there. Then the nuns had kind of given up on a lot of these kids. It was more focusing on their education and not trying to control their whole life. That was a real eye opener for us.

Q: Well, were you still along this particular theme, were you told what to read and what not to read and all that or what movies to see, any of this sort of stuff?

MALLOY: Not by the school. That was all controlled by our parents. Pretty much, the only movies we got to see were Disney.

Q: Okay. Were you a reader?

MALLOY: Tremendous reader.

Q: Can you remember any series or books or any particularly struck you that you enjoyed?

MALLOY: I discovered an author, I think his name was Albert Payson Terhune.

Q: Collie dogs.

MALLOY: Dogs.

Q: Oh yes.

MALLOY: Loved, so much so that I remember reading in a book where he lived and while we were on a road trip and we were near it, and I asked my parents if we could stop there so I could meet him and they finally had to break it to me that the man had died 40 years earlier. But I just loved his books.

Q: Do remember a cartoon in the <u>New Yorker</u> by Gluyas Williams who used to have cartoons "The Day the Soap Sank at Ivory" and he had "The Day the Collie Refused to

Rescue" a lady showing this guy with a pipe smoking and the collie is looking very diffident. Well, some young lady is drowning in a pool and the collie is—

MALLOY: So what? But I loved that. We were allowed to go the school library once a week as a class. I remember once I started reading, I was going through a book a day. So I got special permission to go every day and get a book, where the class went once a week. I read through the entire library. My father had an extensive library at home. So I started out of desperation reading all his childhood books. I read, my aunt's Bobbsey Twins didn't hold my attention very much, so I got into some strange series of Poppy Ott, and I still have these books. I rescued them when my father was going to throw them all out. And then what was the classic boys' detective series? The Hardy Boys.

Q: I was thinking Nancy Drew. Did she—

MALLOY: I eventually got into those on my own, but my aunt didn't have those. But in going through my father's library two things happened. One, I ran out of children's books and started reading adult books. So didn't really understand all of them but was reading way above my head and also, I found some surprising things in there. For instance he had taken a book and carved out the interior to use as a little hiding place with all these cherished things.

Q: Oh yeah.

MALLOY: And he had long since forgotten. It had been sitting in the library forever. So I pulled this book out and, of course, I opened it up, and here it's carved out and we had a good time going through that together. And the interesting thing was he didn't use one of his books, he used one of his sister's because he didn't want to hurt any of his. But since I had read so much when he needed to find a book, he would ask me, and I would know where it was.

Q: Well, did any, sort of tales of adventure, thinking of Jack London or Richard Halliburton.

MALLOY: Jack London.

Q: Are these, these got you going outside the United States. Did these—

MALLOY: No, the thing was it was all fiction to me. It wasn't real. It didn't apply to my life. What got me thinking outside the United States, and the irony is I didn't know anything about my grandfather living in the Philippines until my adult life. It wasn't like I wanted to follow him. For all I knew I was the first Malloy leaving and living overseas, which is very narrow minded of me of course. In high school I decided I wanted to study Russian. I got into Russian literature big time. It was very dark and brooding, perfect for a teenager. That's what got me looking overseas. I wanted to go to Russia. Of course then it was the Soviet Union.

Q: Well, how about, let's see you're moving into, you're a young teenager moving into the '70s now. How was the world presented to you or was it presented very much?

MALLOY: It was very, it's like living in a bubble living in that part of Connecticut. There was this messy dark world somewhere out there that didn't really infringe on Fairfield County, Connecticut. There the concern was clothing, horses, money, cars, social standing, and I never, I'd never fit in there. I felt very uncomfortable partly because I started school at four. When my mother died, they put me in school. They didn't know what to do with me. My older sister and I were in kindergarten together and went all the way through school together. So she had her world and her friends. And I was just sort of on the periphery of it because I was younger, and at the same time I was, until senior year, the tallest girl in the whole school. I had this sort of double whammy. I was younger and I was taller.

Q: Talk about being tall. Today it's considered sort of a plus, but at one time all the boys seemed to be shorter, didn't they? Did this cause problems?

MALLOY: Huge problems because you want to fit in. What people don't realize is if you're tall, people look at you. If you're an extrovert and you like that attention, it's wonderful. If you're an introvert as I am and as my younger daughter who is 6 foot 3 is, you don't want people staring at you, commenting on you, evaluating you. So it's very, very difficult. The first thing people notice about you is your size. You can't blend in and be part of the group. When you're a teenager, you want to be part of the wallpaper, part of the group, you can't do it. I'm sure there's lots of people who are not noticeable who would love to stand out. You always want to be what you're not. So it was very, very painful. You'll remember the ads, the frozen food company, Jolly Green Giant. I would walk down the hallways in school and people would go "Ho-ho-ho".

Q: Yes, it was a big giant that was green and his theme was he went "ho-ho-ho and then selling peas, frozen peas.

MALLOY: And not the kind of thing that as a teenaged girl you want people to be insinuating you look like a jolly green giant. Now, as an adult I know, there was really nothing to it. But it made you uncomfortable to walk down the hallway. By senior year there were some people, some boys who were taller than I was, and I found out in the graduation ceremonies there was actually a girl taller than I am. But she never stood up straight so I never realized it. But they made her stand behind me in line.

Q: How about sports? Did they try to push you into basketball and all that?

MALLOY: At the time I went to school, no young lady would engage in sports except gentile tennis, maybe some horseback riding. Again I didn't fit in. My first stepmother came from a very athletic family. Her mother had been in the Berlin Olympics with Jesse Owens.

Q: '36, yeah.

MALLOY: Her mother actually was a basketball player, but they didn't have women's basketball in 1936, so she did track and field. Her brother was in the Tokyo Olympics decathlon, Russ Hodge, and should've been in the Mexico City Olympics, but during the tryouts in Lake Tahoe he pulled some muscle and didn't make the team. So Laura Lee who was my first stepmother at some point decided that she wanted to form a girls' basketball team and tried to get us to play, and I remember being absolutely mortified because only boys played basketball. This is the last thing I wanted to do. My father was a competitive trap shooter and was Connecticut state champ for a number of years, tried to teach me, and again I was very uncomfortable. The concussion and the sound and I felt awkward. I had no models. There were no women doing this. He subsequently taught my older sister who did very, very well. There was a period of time when he was the men's champ and she was the women's champ for Connecticut. So sports didn't really take with me. I found out late in life that I have what's called sports-induced asthma. It's a breathing problem and I need—

Q: A squirter.

MALLOY: Right to be able to breathe. But it wasn't a salvation. Where now if you want to engage in sports, perfectly acceptable, great way to get to know people. That wasn't an option when I was growing up.

Q: How about, well, moving sort of in high school. How about boys? I always think of that scene in the American Graffiti movie where the girl looks like the Statue of Liberty, is much taller. I mean this—

MALLOY: I refused to have anything to do with anybody who was shorter than I was. I was just so super sensitive about that. That was almost my sole criteria for dating. Of course that was ridiculous because I missed out on all sorts of people who would've been very compatible, but I really did not date in high school. My older sister did. My older sister is 5 foot 6. I'm 6 foot. I took after my father. She took after my mother. So she did all that dating thing. I read.

Q: Probably came out ahead. I'm a great reader. Let's talk a little bit about Connecticut society at the time. I mean this is the place where of course a lot of the people who were in that era of stockbrokers, advertisers, they were making good solid money. Did you fit in? Were you part of would you say the moneyed class there or middle, upper, lower, moneyed class or not even in it.

MALLOY: There's old money, new money. Old money is like hundred year old money. New money was anything in the last 30, 40 years. My family being Catholic first of all didn't fit in at all. Secondly, didn't fit in because my stepmother being a second wife at that point and being from the Catskill Mountains, and I remember my first stepmother almost always wore trousers. None of the other mothers wore trousers. They all wore housedresses. I remember being mortified that she wore trousers. She was ahead of her time. But she didn't fit in.

Q: Sort of the Katherine Hepburn of the period.

MALLOY: Sort, but nowhere near the class. So we didn't fit in and when we moved to Connecticut, neither of my parents really tried to socialize with the neighbors. They didn't really fit in with them. So they eventually adopted their own circle of friends, which were people from the hunting, shooting, trapshooting world. My father was a big game hunter in Africa and other places. So they would travel with their friends, but they never really made an attempt to insert themselves into Ridgefield, Connecticut society. So that left us, the children, at a great disadvantage.

Q: No country club things.

MALLOY: My father refused to join country clubs, absolutely hated them. He said if he couldn't shoot there, he wouldn't join. So there were all these disadvantages for us because there was no way to break into that society. We ended up making friends in our high school, but it was not a happy period.

Q: What were your high school, what was your high school—

MALLOY: Public high school, Ridgefield, Connecticut.

Q: I would think there would've been quite a drain off particularly in that class of the kids going to prep school.

MALLOY: Yes and no. Certainly the old, old moneyed kids, and you have to keep in mind the time period, the late '60s, early '70s with kids getting into drugs and stuff, a lot of kids were being sent off more to babysit them than anything else. Because it was academically a very good high school, lots of families sent their kids there. It was actually my savior. A couple good teachers.

Q: Okay, let's talk about the academics. We've been on the social side. Academically, what turned you on, what turned you off in high school?

MALLOY: Well, anything that was rote turned me off. Anything that you had to study, for example everybody had to read Walden's Pond. I was attracted to teachers who could make you understand why this stuff was relevant, not just everybody says you have to learn it. By sophomore year I realized that the French I had been studying for three years was, I was hopelessly behind. I was just parroting, didn't really understand it. I had never been taught the alphabet, how to pronounce it the way the French do. So I decided I wanted something totally different, and I picked Russian. It was the best thing I ever did because the teacher was inspirational. All she did was teach Russian. Her name was Mrs. Grossfeld. She was an émigré who wanted the school to have Russian in its curriculum. She was never accredited as a teacher. But she was great, and she would give you as much time as you needed, come after school, give you extra reading. She was the one teacher I kept in touch with for years after I left school. She taught in the Russian

program at Middlebury in the summers and then volunteered at the high school. So that was good. Economics, we had, how many high schools had economics?

Q: I don't think I'd ever heard of it as a course.

MALLOY: It was a dragon lady that taught it and she was very good and when I went off to university and studied economics for the first year, it was nothing new. I had had that all before and that was really good. I had a couple of AP English teachers who were just phenomenal.

Q: AP is advanced placement.

MALLOY: Yes. But 90 percent of it was just get them through, get them through, get them through. It was a very funny time. It was before anybody could intrude on family life. My first stepmother was very violent, and I remember my older sister going to school with a black eye and her front tooth knocked out. Today teachers would say something. Then, not a one. Everybody ignored it. In that part of Connecticut you never questioned what went on in a child's family. So it was a very different world.

Q: Well, as a tall girl without, I take it an awful lot of parental guidance, am I reading this correctly or not?

MALLOY: We had some very strict boundaries, but we were told what we could do and couldn't do, but on day-to-day interaction, virtually none. We were on our own.

Q: At the high school, what were some of the forces working on you? Was it cool to be smart or was it cool not to be smart or drugs or whatever? Anything that affected you.

MALLOY: Fortunately there was very little drugs, lots of alcohol, very little drugs in this school except in the fringe who left school and knew where to find it. Kind of the scruffy losers. There were more drugs actually in the private schools than in the public at that time. It was not cool to be smart. It was not cool to be socially minded. However we discovered some new things. For instance when I was in high school, the first ever Earth Day was held and it was a radical idea. It was being pushed by the Sierra Club.

Q: Can you explain what Earth Day is?

MALLOY: Earth Day was taking a day to avoid harming the environment, to focus on the environment. So that meant not driving in a car, putting up posters, trying to call attention to the environment being damaged by dumping in streams, whatever. It was a brand new thing so schools got to do it however they wanted. But it was the students doing it. It wasn't the school organizing it. I remember my sister who loved horses and rode a lot and a couple of her friends deciding that they would ride their horses to school rather than take the school bus. They however A, grossly miscalculated the amount of time it would take to ride, and so they were hours late for school and missed the first of their classes and B, hadn't really thought through what to do with the horses while they

were in school. Schools didn't really come with barns in those days. So they tethered them out by the gym, and of course all day long most of the students were hanging out there petting horses. So it was rather disruptive. But it was the first time I can remember a group of students doing something to try to open the eyes of our parents and so that was considered cool. But being tall and being studious, not cool.

Q: What about some of the social movements. Did the, Vietnam was pretty much over by the time you were in high school.

MALLOY: Oh no. Oh no, no, no. Vietnam was in full swing.

Q: Where did you, where did you fit in there?

MALLOY: Well, the driver or the fear was that boys would be drafted because the draft was going on. So you saw lots of young men who otherwise would've been quite happy to go into blue-collar trades enrolling in college to avoid the draft. So it was a bit deforming. I remember my sister's boyfriend who came from a working class family. His dad had been a plumber and Jimmy put himself through school by working as a plumbing general contractor and would've done very well going off to that but had his arm twisted to enroll in college. He really wasn't cut out for that and hadn't prepared through high school to go into a college track. In those days they split you. There was a college track and just finish up high school and go in trades. So that affected us. It was the fear of who in the graduating class was going to get drafted. In my high school years I can only remember one casualty of Vietnam War from my hometown. But it was a smallish town. Ridgefield at that time was about 20,000 people. But it was a huge part of our life, and I remember watching a protest down in Washington because I was going to go to Georgetown, and the year before I arrived, one of the large unruly protests took place across the Georgetown campus and the police tear gassed people on the campus. So it was something that I was very aware of. We don't talk politics in my family so I don't recall having conversations with my father about it.

Q: Did your family fall politically in any camp or not?

MALLOY: Family traditionally far, far right Republican. George Wallace kind of--.

Q: What about race, civil rights and all that?

MALLOY: Huge problem. Huge problem. I remember at one point there was only one African American family in the whole town, and their children went to the high school. The one in my class actually was president of the class. There were no problems in the school because they were perfectly accepted. It was probably a problem for them because they felt more like they were out there being stared at as I was. But there was no animosity and no groups. It was a very, very white Caucasian area at that time. But within my family it was a hot button issue. I remember asking my parents at one point would they have a problem if I ever dated somebody who was of another race, and to this day my father will go on and on and on about that. In fact he told one of my children not

too long ago that in high school I had dated an African American and how upset they all were. Well, I would've had to work real hard to do that because there was only one. He and I never dated. But I mean I was just asking the intellectual question, but in my family race is a tough, tough issue.

Q: Now it seems almost a dated question but we are going back. How about, where stood things with Jews there because this, particularly around that whole New York periphery, some places it wasn't much but there I would think it would be a big factor.

MALLOY: Huge issue with my dad. I don't, I don't recall with my first stepmother. Didn't talk to her much. It still is with my dad. They were raised in an era with very strict definitions. Yet he has very, very close friends who are Jewish. My dad is a bit of a misogynists, if he gets on the plane and the pilot is a woman, he'll want to get off. Yet I'll say to him, "Does that mean you don't respect me?" "No, you're okay." I'm the exception. But that's something that I struggle with because my life is not that black and white. But for his generation issues of race and religion are, and that's what's playing out now a lot in the current election.

Q: We're talking the day before the election between Barack Obama and John McCain, and we were talking sort of off mike about the concern that latent racism may play a deciding role in this election.

MALLOY: And I don't know that they would call it racism. They would have a different word for it. They have a lifetime of experience that in their mind colors these feelings. They tend to look at extremes. I'm trying not to be judgmental. It's just that my life experience is very different. So what pleases me is that my children seem, for the most part, oblivious to these factors in their relationships. I think that's the goal we're all aiming for.

Q: I come from your father's generation. I was born in 1928. I recall much of these things going on, and I went to school at a prep school in Connecticut, and there were all sorts of snide remarks about Jews and my fraternity didn't want Jews. I wasn't too, I didn't particularly come from that society but you couldn't help but feel that whole thing going on.

MALLOY: It was painful and yeah, I heard it growing up. I hear it still when I'm around people of that generation who feel comfortable expressing those fears. As a child you can't question it overtly. But when I left that environment, and I think that's part of the reason I left Connecticut and never moved back, I put myself in environments where I could question it and gradually move to where I'm not surrounded by it. That's been a conscious choice on my part.

Q: Okay. When you were in high school, did the world beyond Connecticut intrude, particularly I'm thinking of Europe or Asia or anything like that? You were taking Russian. But how did that, what were you up to?

MALLOY: Well, it's before the internet obviously, but I was an avid newspaper reader. We got a paper every day, and I read it cover to cover.

Q: The Hartford or The Courant or the New York Times?

MALLOY: Danbury, Danbury.

Q: Oh Danbury.

MALLOY: And occasionally I'd get the New York Times, and that was thanks to my economics teacher because she made us get the New York Times and follow the stock market. So I would pick up the Sunday New York Times and read that. But I was a voracious reader and I would just, my friends still laugh at me. I just still can't sit still. So wherever I was I would be reading. That's how I began to focus on the world outside. But more on the then Soviet Union than anything else. That's where my real interest was.

Q: In high school was there any good course or books or anything that sort of gave you a better insight other than it's an evil empire?

MALLOY: Well, I started out with the literature. I read Tolstoy and Dostoyevsky and all those. So I was reading classical Russian, pre-revolutionary things. The Russia I was looking for really didn't exist anymore. That was my first rude awakening, and my Russian language teacher was very supportive, recommended readings, and she then mentioned to me a Fordham study program to go over to the USSR for the summer. So I actually spent the summer between high school and university traveling around the Soviet Union studying Russia.

Q: Well, let's talk about this. What year was this?

MALLOY: It was, I graduated from high school in 1971. So this was the summer of '71. When I signed up for this group it turned out I was the only female, which was a bit of a gulp, so they dragooned some other young lady from somewhere and convinced her to come along so there would be at least two of us on this trip. We went first to Paris and studied Russian, basic Russian for two weeks. Then we went into the then Soviet Union, and then at that point lost one member because it turns out one of the boys was traveling on a Republic of China passport, and the Soviets refused to give him a visa and let him in. The group split right down the middle between the half that were Catholic and half that were Jewish. There were a lot of Horace Mann students on it, which I found very interesting. That we went all the way up and down the European side of the USSR so there was I was, right out of high school, and I was in Georgia, Armenia and Azerbaijan and Moldova, the Caucuses, Ukraine and all the way up to the Finnish border. It was Leningrad at that time, not Saint Petersburg, Moscow. So it was a really, really good trip for me in terms of understanding the contemporary Soviet Union.

Q: Well, you'd been brought up on Dostoyevsky and Tolstoy and they say it's a different thing. How did the Soviet Union hit you?

MALLOY: Well, in 1971 the scars of World War Two were very visible. The streets, especially on holidays, would be full of veterans. I mean it seems an incredible number of people would be missing an arm or a leg, something I would never see in the United States. So that really struck me, and I had read books about the siege of Leningrad so to actually see the signs on the street that said in Russian, "During bombardment, this side of the street is safer." And things like that. It was the first connection to history that I'd ever felt because the material covered in history books ended well before anything of relevance to a teenager in those days. The poverty, people would have, I remember, maybe two sets of clothing--one winter, one summer. So that difference between Connecticut and its fixation on outward signs of affluence I found remarkable. Then the third was the fact that people's intellectual life was so rich. They actually wanted to talk and discuss things, not just own things, and I found that very attractive. To this day Russians are great at having intellectual conversations.

Q: Around the kitchen table.

MALLOY: Yes.

Q: Were you able, were the handlers ever present? You were a bunch of teenagers, I guess they didn't care too much.

MALLOY: We were in a little bubble. In those days it was very carefully controlled. And by some fluke instead of being handled by the Soviet organ that normally handles student groups, we ended up with Intourist and so all the hotels and everything we were in, we were there with tourists and carefully selected guides, and we were not under any illusion that we were interacting with average Soviet people.

Q: How did you find sort of the outer reaches of the empire in other words not just the Russian parts, the other parts.

MALLOY: Well, that's what actually got me interested in what I focused on in the State Department, which is the other nationalities. I remember seeing a movie, The Russians are Coming, right before I went, this image of this tall blonde Nordic things. Well, my first shock thinking at last I was going to somewhere where people were taller than I was, is it was quite the opposite. Slavic people are generally shorter, dark and there aren't that many who even came up to my nose. But then when you got out to the regions the diversity and the different accents, the fact that Russian was second language for a lot of these people. Being in Georgia in the summertime I remember being struck by an old Georgian church that was centuries old up on a hill overlooking the town. You go up there and they're chanting Georgian chants, how old their history was compared to ours. It was a really, really good trip, and it pushed me further in that direction when I went to university.

Q: So you went to Georgetown?

MALLOY: Yes.

Q: Was this, Georgetown had turned coed? I assume it had.

MALLOY: Yes, it was definitely coed except I'm thinking the nursing school. I don't know if they had men in the nursing school in those days, but the College of Arts and Sciences, Foreign Service, Business they were coed. But it hadn't really settled in. Yes, you were there, but for instance, women were not allowed to use the gymnasium except Tuesday and Thursday evenings between seven and nine pm. Women had mandatory gym classes; boys did not. I mean there were these sort of weird little, women had what they called parietals. We had to be in the dorm by a certain hour of the night. Boys didn't have that. So funny, fluky little things.

Q: Well, what caused you to go to Georgetown?

MALLOY: My dad had gone there, just for a year before he transferred to Fordham. We, my sister and I, went off to college the same year. So he set some ground rules. We could go as far south as Washington, DC. We could go as far west as the Appalachian Mountains. We could go as far north as New England. So, in other words, no Hawaii, no California, no Florida. I basically went as far as I could go.

Q: This is the era of free speech and everything else out at the University of California. Your father must've been looking with a certain amount of horror at what was going on at the university.

MALLOY: Well, I remember amongst their friends occasional whispered comments that we weren't supposed to hear about somebody's daughter becoming a hippie and it almost sounded like the person had died, this mourning of someone being lost forever. So yeah, there was a lot of that concern. I remember my father being perturbed when I got my first pair of blue jeans. Of course we grew our hair long, and he was always wanting to know when we were going to cut it; what was the goal. There was a friction there, and yet he had always been a rebel in his own culture. I mean he never followed the rules. So I guess we didn't get as much grief as we might've. Since I didn't have a mother telling me how to dress, my father didn't have a clue how a young lady should dress. We didn't have all that. So it was more the social mores. He was worried that we would hang out with the wrong people. His classic comment to me was he didn't send me to university for four years so I could work for the rest of my life. In other words I had failed because I didn't marry a rich man.

Q: Okay, Georgetown, you were there from what, '71 to seventy--.

MALLOY: Well, I was class of '75. I actually finished early. So December of '74 I finished my studies.

Q: What was Georgetown like? How did it strike you when you got there in '71?

MALLOY: Lonely. Again it was Connecticut all over again. You had the prep school kids who hung out together. You had the sports kids who hung out together. I fell into the group, the Russian group in the School of Languages and Linguistics and spent a lot of time with them, but I was given a choice and I made the wrong choice. I could either start Russian at the bottom or because I tested in with fairly good scores I could go into the advanced class. I went into the advanced class. I was with upperclassmen, and I was always the bottom of the class. In hindsight I should've been with my own peers. There was no, in those days there was no student union. Aside from the library there was no place to go and gather with your fellow students. The social life was keg parties in some boys' dorm. There was no way to connect.

Q: Was the hand of the Jesuits heavy at that time or no?

MALLOY: No. Very light. If you were Catholic, you were required to study theology. If you were not Catholic, you could take an alternate religion course. That was one course in your four years. Really there was not a strong, strong mandatory participation in the Catholic faith. You could seek it out, and it was certainly there, but it wasn't imposed.

Q: How did you find the academic atmosphere?

MALLOY: Much tougher than I'd ever expected. I never had to study in high school so I didn't know how to study. In my school we didn't have to do the kind of term papers that you do in private school. My education had always been if you read the material, the answer was in there somewhere, not read and analyze it and come up with your own opinion. That's the first time I ran into that, and it was a bit frightening at first. It took me a year or so to adapt, and by the end of my sophomore year I was actually doing quite well. But the first year I didn't know if I was going to make it.

Q: I talked to somebody who was at Harvard actually at an earlier era. And he said it was almost a truism that the prep school kids at Harvard did much better than the high school kids that came in the first two years, and then the high school kids surpassed the prep school kids because of the, well, the writing mainly. Well, more individual attention.

MALLOY: And also, Georgetown was going through a change. Before I got there, students were very, very interested in social change, the Vietnam War protests. We were considered, the class of '75 had showed up in '71. We were considered the group that didn't care, and what they meant by that is we were the first ones that came back wanting to get an education, buckle down and study. It's almost like a light switched off. The school was trying to reinvent itself to adapt to the protests of the year before. So when we showed up, instead of having a set curriculum, you had two choices in the School of Foreign Service. You could either be an international affairs major or an international economic affairs major. There was a set curriculum depending on what you chose. I show up as a freshman and they say we're going to throw that all away. We're going to let you create your own mandatory set of courses. Well, the problem is, what do you know as a freshman. You're handed a college catalog, and you pick out of it and construct this mandatory four year program. Well, I didn't know how to read a catalog. One, I didn't

know the courses are not offered every semester. Some of them are only offered every three or four years. Also, I didn't know how to tell the difference between a graduate course and an undergraduate. So I set out this thing where my whole last year I'm basically taking graduate courses, and they're mandatory for me. I'm getting undergraduate credit for graduate work. Again I'm always, I'm always out of my element and catching up. So there wasn't good guidance because somebody should've looked at that and said, oh wait a minute. This is just not sustainable. If there were really good guidance systems, I never found them. But I made it. You were on your own and it was sink or swim.

Q: What sort of courses did you end up, did you find yourself developing a good core?

MALLOY: Yeah. I focused on Soviet and Eastern European studies. I was in the School of Foreign Service. They had their own Russian language, but it was like Russian light. I wanted more challenging so I took Russian with the Russian majors in the School of Languages and Linguistics. But then in the Foreign Service School I ended up taking some great courses. For instance a survey of East European from Jan Karski, and I don't know if you encountered Jan Karski. I thought he was a great professor. I didn't know until years later that he was actually a renowned Polish freedom fighter who played a huge role in World War Two. Matter of fact now there is a statue to him on the Georgetown campus. So he was a treasure. Father Zrinyi was a Jesuit from Hungary who taught economics and he was a wonderful man. He ended up being my advisor. He would have a class of 60 to 70 students, and by the third week he would know everybody by name. I would slouch in the back row and want to put my head down and sleep, and you'd put your hand up and he would call on you by name. I remember realizing that for the first time, and he took a personal interest. So it was three or four professors like that who kept me in line.

Q: Working on the Soviet Union, was there a thrust to it? This is an awful place or this is an interesting place or what?

MALLOY: No. There was an attempt to look at it from all different sides. A matter of fact, I remember Georgetown hosting some Soviet exchange students, there was an official exchange program. We sent undergraduate students there, and I participated in that in '73, summer of '73, and they sent a much smaller number of graduate students to the United States. Some of them came to Georgetown, and I remember the Ukrainian and Russian students at Georgetown protesting some event when the Soviet scholars showed up to speak. I remember thinking this is really terrible. I mean, shouldn't we at least listen to them to hear what they want to say. So as a university, they were very open to it. Not all the students were open to it. The other cross-cutting issue was Iran. We had lots and lots of Iranians who were refugees from the Shah and the Iranian secret police attending Georgetown. The wife of the Shah of Iran was actually the keynote speaker at my graduation ceremony. We had all these protests that shut down the campus and everything. Of course within two years complete turn over. But did these people go back to Iran now that the Shah was gone? No. Now there were new protests. Different types.

Q: Yeah.

MALLOY: So the school just let the students think and act within certain boundaries, like my home, my upbringing. We all knew how far we could go but we were given the freedom to explore. I don't remember the school having a set political philosophy on the Soviet Union, pro or negative.

Q: Did the university make good account of the wealth of experience that's in the Washington area?

MALLOY: Yes and no. At that time we didn't have a lot of the names that you see now at Georgetown. Lots of the professors I had were White Russians who had fled from the Soviets, but they were contemporary people. You have Madeleine Albright there now. Did not have a lot of that at that time.

Q: How did this Russian trip or Soviet trip work out for you? You spent a year at--?

MALLOY: No, I did a summer exchange again. I didn't think I could take the full winter program over there. So I did the summer of '73, CIEE, Council for International Educational Exchange, which was the official exchange, and they drew on about five core universities, Dartmouth, Kansas, Georgetown, a couple others. About 180 American undergraduate students were there that summer. It was an interesting experience. The normal dormitory that they used for American students was under repair, which is a very typical thing you see over there. Everything is always under repair when it is closed. So we ended up in the African students' dormitory, which was pretty horrific. There was one ladies' room for 90 of us, and there was one men's room for the 90 of them. They were at the far ends of the dormitory floor. We had one long floor, 180 of us. So about half way through the program, the guys got tired of walking all the way there, and the girls got tired as well so we just started using the same ones. It was a very, I think by the end of the summer we were adopting Soviet methodologies about the way we ate or socialized, but we were very carefully contained again. The Russians assigned to work with us on a program were all handpicked. The students supposedly that we would be hanging out with, any students who attempted to come in and meet us were shoved away. It was just to learn the language and the lives of the Soviets. There was no interaction.

Q: Did you see the African students? Was this part of the global university or--?

MALLOY: No, this was, because the university was not in session for the summer except for our program.

Q: In St. Petersburg.

MALLOY: It was Leningrad then.

Q: Leningrad then.

MALLOY: No, there was no one in this dormitory other than us with the exception of about a two-week period a group of Danish students were put in with us for a short time period. So it was just the facilities. We had no hot water except about two weeks of the summer, which doesn't sound bad except over there they have central heating. A whole area would have a central water plant. It would be piped underground. It was 60 degrees outside. It was like being up in Finland in the summer. It's not all that warm. The water was just unbelievably cold. You couldn't stand to take a shower in it. So being good Americans we all felt very deprived, but we learned to go off to the local banya or bathhouse and take communal baths.

Q: Were you able to indulge in the glories of Leningrad in those days?

MALLOY: We were. We got to be there through white nights, which was interesting. That's the period of time when the sun does not go down at all. It's a big celebration. We were there through Navy day when they bring the Navy ships right up the river, got to see the museums, the Hermitage of course being spectacular and wandered around town, got up to the Summer Palace, the beautiful fountains, gold fountains up there. But always like I said, in very carefully controlled manner, we were never on our own.

Q: Did you ever get out and go into the country. It always struck me I spent in the '60s I was in Yugoslavia for five years. A city is a city and they're always kind of dirty and all, but it's a city. But go ten miles out and all of a sudden you're back in the 14th century or something.

MALLOY: We could go anywhere we could get on public transportation, but as far as getting out, they would set up a weekend trip to Novgorod or something and you would sign up, and it became controversial because they insisted on hard currency. They wouldn't take their own money. That made it extremely expensive so that was a bit of a problem. So some of the more adventurous would use public transportation and get out and about, but they had us on a schedule where even on Saturdays we had to be in classes. So that really limited your ability to get into too much trouble. But we had no transportation other than that.

Q: How was your Russian?

MALLOY: It was better than most of the other students with the exception, I mentioned there were a lot of White Russian professors at Georgetown. Well, their children were in my classes, and they grew up speaking Russian at home. So they, of course, were completely fluent but with a sort of archaic form of Russian. My Russian was pretty good except it turns out my cherished high school teacher was really Ukrainian, and I had this strong Ukrainian accent. So people thought I was from the Baltics. I didn't learn as much as I should have in terms of broadening my vocabulary, but my fluency was much better.

Q: How did you feel by the time you came back from these two experiences in the Soviet Union about the Soviet system, the politics of the thing, the Cold War? Did you have any opinions?

MALLOY: I wanted to understand more. I didn't have this sort of reflexive, they're bad; we're good. I was at that point in my life questioning everything. But I didn't like what I saw over there in terms of the way people lived. You could see real disparity between the haves and the have nots. The have being the party officials, and I could feel that there was more to this than was being advertised. I subsequently learned that my instincts were right. So, I didn't come back from these trips feeling that Communism was the wave of the future and this was all great. Nor did I come back thinking that the United States had the perfect answer to everything. One of the things that troubled me was the few African American students were mistreated, and it showed an extremely racist side of Soviet Russian culture that I found very unappealing; however, we had it in our own culture.

Q: I think in many ways, there was a time that I think it was really pronounced. I remember dealing with African students who ended up in sort of a booby prize but getting their university education, mostly Ethiopians, in Bulgaria of all places, called black monkeys, they all of a sudden decided to hell with this and left.

MALLOY: It's still there. It's a very strong factor.

Q: They haven't really been able, we've worked at the thing. Well, I mean, this election we may have a black and white president in a very short time. Anyway, did you have any feel while you were going through your education at Georgetown and all about the government, obviously the American government, given what you were picking up from your parents and Connecticut and your own ideas of this? How did you feel about it?

MALLOY: Well, this is a period when Nixon was president, and I was less than impressed. My boyfriend came from a very Republican family. His parents had been displaced people from the Baltics and staunch Republicans and supporters of Nixon. I actually couldn't vote until after university because, if you remember, I started school early, and I wasn't even legally able to drink or vote until after I finished university. But I was much more inclined toward the Democratic side at that point. It was all tricky Dick and that caused me to have negative feelings about the whole government. I remember at that time police were highly suspect in my mind, but no empirical evidence, just part of that whole age where you didn't trust anybody in authority. But I did not, like some of my fellow Georgetown students, go up on the Hill and volunteer and look at the legislative side. So I had fairly negative feelings towards the government altogether.

Q: Did you, Georgetown I don't want to say was immune but was not hit as hard as many universities by sort of the campus events, was it?

MALLOY: Only the year, spring '70 was the one time, and I think A, it was physical distance and setting and B, the fact that it's much more prep school than other schools.

Q: Well, you graduated in '70—

MALLOY: Class of ’75. I came back in the spring of ’75 and attended graduation, but I actually finished in December ’74.

Q: So whither?

MALLOY: I went to New York City. I actually married my boyfriend from university in January of ’75, and went to work for Dunn Bradstreet in New York City as a credit reporter on the streets of Brooklyn.

Q: What was the background of the man you married?

MALLOY: He was Latvian, still is Latvian. Both parents Latvian DPs, displaced people, met and married in a DP camp in Germany and subsequently immigrated to the United States. He was born in Boston, so Boston very broad accent, ROTC. We were very different. We were in New York for three years. He was a federal policeman and based on Staten Island at a national park, Floyd Bennett Field, and I worked, as I said, for Dunn and Bradstreet.

Q: Okay, what were you doing at Dunn and Bradstreet? What was the time? We’re talking now about almost the whole collapse of the system, but anyway, let’s talk about it at that time. This would be ’75, ‘6 and ‘7 I guess.

MALLOY: Yes. Well, I was there through early ’78, ’75 through ’78. Dunn and Bradstreet at that time was a commercial credit reporting entity. If you wanted to extend credit to a store, Dunn and Bradstreet would tell you whether they were in good financial standing, whether they paid their bills on time. My job initially was to take tickets, inquiries, and go out on the streets and write a report on a business that was not in their archives, in other words a new business or a business that changed its name. I would have to go solicit information, and it was a fascinating job. I learned more about business by doing this. I learned more about people because my territory was all over Brooklyn. I worked everything from Bed-Stuy to Canarsie to Coney Island to Williamsburg. That’s where I came into contact with the Hasidim for the first time. I didn’t know that Hasidic men are extremely traditional orthodox Jewish. I’d get in a loft elevator and go off to some knitting business. A gentleman would jump in the elevator, turn and see me there and jump out again. I didn’t realize that he couldn’t be in an enclosed space with a woman that he wasn’t married to. I would go into a deli and try to order coffee with milk in it, and of course they couldn’t give me milk because they were kosher, and they, never had dairy and meat products mixed. So I learned an awful lot about these cultures, used my Russian, Coney Island was being settled by a lot of Russian immigrants. But basically you had to convince somebody voluntarily to give you their balance sheet and profit and loss statement and you could write a report. I learned to elicit information, one of the skills I used down the road in the Foreign Service. It was dangerous. I mean, being out on the street as a young woman in different parts of Brooklyn, there were a couple of places where I think I was just very lucky to escape harm. So it was an interesting time.

Q: What were the Hasidim, I think of them as being often in the diamond business. But—

MALLOY: Oh no. Everything. They may be in Europe, in Belgium and in Manhattan, but in parts of Brooklyn, primarily Williamsburg and others there was a, the Lubavitch group. They were in all sorts of manufacturing, just about any business you could think of. Running a lot of the schools. I, again that helped me out down the road when I was working Russia, I ended up working with them because they had interests over there. When I was in Australia, I ended up working with them over there. It all goes back to the chance encounters at Dunn and Bradstreet.

Q: How did you find the management of working for Dunn and Bradstreet itself? How did they treat you at the time?

MALLOY: Well, initially they told me they were not sure about hiring me because they didn't think I could be loud and assertive enough because I'm from Connecticut, and in Brooklyn you have to be at a certain level, and I remember getting very loud in the interview to show them I could be loud when I needed to. But they, again I didn't quite fit in, but they soon found that I was one of their best producers, but I was a female, and I wanted to be a manager, and there were very few female managers at Dunn and Bradstreet. Then they eventually made me a divisional manager, but then I committed the cardinal sin of becoming pregnant.

Q: [sigh] That's one of the problems with you women.

MALLOY: Exactly. So they decided they had to get rid of me or not they, the individual managers. So they put me in some impossible positions because they wanted me to quit. So it must've been like a late June, it was extremely hot, and I'm extremely pregnant and they would make me take a trainee to a seven-story loft building walk up. I remember going up there and this Hasidic man looking at me and asking what are you doing here? While the male managers didn't have to go out with the trainees, I had to because they were trying to get me to quit. But I didn't quit. I went on. I had two weeks of leave. I remember one of the salesman with a drinking problem had run into a tree, and they gave him three months of paid leave to recover, but they refused to give me paid leave because they said pregnancy was a voluntary condition. But anyway I made it through without income, and I came back to work, and then it was like all was forgiven. They couldn't actually believe I came back to work. A couple of weeks after I came back to work the Foreign Service called me and offered me a job, and I took it. I mean, I could see that Dunn and Bradstreet was never going to let me have my own shop or move into international affairs. They were just—

Q: Well, when you were at Dunn and Bradstreet, well, first of all how did you come up with Dunn and Bradstreet?

MALLOY: Ad in the newspaper. When I was out looking for a job right out of the university, it's just like the poor kids who are going to be going out this year. It was a recession. There were no jobs. I set myself the lofty goal of getting myself a job that paid at least 10,000 dollars a year, and I had to settle for this job at Dunn and Bradstreet that

paid 6,800, which seemed ridiculous, but there were no jobs. I went through all these different employment agencies in New York City and all they asked me was how many words I typed per minute. I kept saying, "I don't type." They kept saying, "Well, we don't care. We'll teach you." I said, "I don't type because I do not want a job where you type. I'm not going to be a secretary." So when I got this job, it was a professional level job, and it wasn't a secretary and I took it.

Q: Well, was there trouble with your female colleagues and all that you—

MALLOY: I didn't have any.

Q: Huh? You didn't have any?

MALLOY: They almost, they didn't hire women as reporters for a variety of reasons. They subsequently had a couple others that, women who didn't have college degrees but who had come up through the typing pool. There were very few women.

Q: Well, did you feel I mean coming out of Georgetown, did you have any female colleagues there? Did you see this, did you feel you were going to be up against a real problem being a woman wanting to be professional?

MALLOY: You have to keep in mind in those days the newspaper ads were still jobs for men and jobs for women. I remember looking for summer work when I was in university and wanting to take one of the jobs that was on the man side of the page because it paid much more money, it was much more interesting and having an argument with my father about why I couldn't take that job. It was too dangerous for you. It involves equipment. Huge, huge problems for women in those days, and I only found out a year after I left Dunn and Bradstreet that they were in the midst of a class action suit for discriminating against women. I'm glad I left. I never could've survived in the environment, and that's what attracted me to the federal government, that supposedly everything was protected.

Q: Did you find, I mean getting there, coming from not New York, New York as being a very sharp elbowed place. Did you find this, how did you work in that environment?

MALLOY: Well, I've always been an observer and a watcher and it was fascinating just to listen to people talk and the things they would say. It was a completely different culture for me. They didn't find my Connecticut mannerisms to be unappealing or, they didn't look at me like I was an outsider. They all accepted me as far as I could tell. It just took me a year or so to stop dropping my jaw at some of the things. It was just a very much in your face, loud, and sharp where everything in Connecticut was nuanced, buffered.

Q: This is your life history. You had a girl, a boy, you had a child.

MALLOY: I have two girls. My oldest daughter was born when I was working for Dunn and Bradstreet and married to my first husband, and my second daughter was born on my

second tour in Moscow, up in Finland actually because they medevaced you in those days. During my second marriage to my husband. My first marriage lasted less than five years.

Q: Well, it must've been, it looked like even in jobs there was a discrepancy was there I mean as a policeman.

MALLOY: Yes, he had gone to Georgetown and graduated with a degree in linguistics but chose to become a park policeman. So he was again a fish out of water, probably one of the more highly educated, certainly the only park policeman who spoke three or four languages, German, Latvian, Russian, English. Yeah, we were very much going in different directions was the problem.

Q: I'm looking at the time. This might be a good place to stop here, and I put in the end where we're going. We'll pick this up the next time. We have you culminating your Dunn and Bradstreet time. You've had a child and all this, but now we're moving into the Foreign Service. So next time we'll talk about how you got interested in the Foreign Service, the exam and the whole thing there.

MALLOY: Okay.

Q: Great.

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Q: All right. Today is the 18th of November 2008 with Eileen Malloy, and we were picking up you're working for Dun and Bradstreet. When, you start working for them when?

MALLOY: Around February or March of 1975.

Q: You worked for them for how long?

MALLOY: About three years.

Q: We may have covered this before but I'll cover it again and we can overlap it. How did it strike, how did the atmosphere of the business strike you?

MALLOY: It was intriguing. It was my first professional job. So I was very happy to have it because like now the economy was in recession, and it was difficult to get any job at all. But after I got comfortable, within a year I felt that I wanted more. I wanted, I wanted to go overseas. I wanted to explore that, and they were completely closed off to that as a female. They couldn't see letting a woman run an office even domestically. So it was clear it wasn't going to work for me.

Q: Well, what, let's say you're, could you put yourself in a position of the powers that be at Dunn and Bradstreet and why would they object in doing something? Was it just the wrong time or what?

MALLOY: It was the wrong time. There were virtually no females anywhere in their management. I eventually became a division manager in the office where I started, but that was considered really, really radical. I don't know that there were any female office managers at any of their offices anywhere in the United States. So it was, in their mind women only worked episodically or worked around their family's needs and couldn't be trusted. It was a different time.

Q: No, it was, how did you connect with the Foreign Service?

MALLOY: Well, I had always been interested. I went to the Georgetown School of Foreign Service. I actually took the Foreign Service exam when I was a senior at university but didn't pass the written exam. In those days you had to choose a specialty, and I had chosen political. You were competing against people who had PhDs and lots of experience. When I was working at Dun and Bradstreet, a friend from Georgetown got in touch with me and told me he had just taken and passed the Foreign Service exam. Not to disparage him I thought if he could pass it, I could pass it. Well, it turned out they had revamped it, and you were now being tested in all four categories. So someone like me who knows lots about many different things, but maybe not an expert in any one thing, had a better chance. So I signed up to take the exam and—

Q: What year was that?

MALLOY: This would've been in I guess the fall of '76. Yes, the fall of '76. Between the time I registered for the exam and the date of the written exam, which I guess was September, when the test was given each year, I found out I was expecting my first child. So gave a lot of thought to just not taking the exam, but anyway on a point of pride, I decided to go ahead and take it any way. I sat there through the whole exam in the depths of morning sickness chewing on peppermints.

Q: Were you big of belly, great with child?

MALLOY: No, no, no.

Q: This is early here. This is early.

MALLOY: This is early. This is early time.

Q: This is morning sickness.

MALLOY: This is morning sickness time.

Q: I passed the test and was eventually, I was about six months pregnant at the time, asked to take the oral exam. So I had to come down from New York City to Washington and the old FSI [Foreign Service Institute] building where they had the testing. To me it was just a lark because I was visibly pregnant. Why would anyone hire anybody who was pregnant? I thought I would be instantly eliminated. I was completely oblivious to the fact that it would've been against the law to discriminate against somebody, but because I was incurring so many problems with my employer in New York because of my pregnancy I just assumed it would be the same with the government. But the irony is since I had no real anticipation I would pass, I was much more relaxed than I would've otherwise been.

Q: Do you recall the exam?

MALLOY: Oh yeah.

Q: Can you talk about some of the questions and how you felt about the exam?

MALLOY: Well, it was short and sweet. I mean they were in there—

Q: How long were you in there?

MALLOY: About an hour. There were three people, and they keyed in on my administrative qualities. And the one thing that concerned me is even though I wanted to be a political officer, they almost from the moment I walked in the door seemed focused on my going into management because they asked me--. At that time I was a divisional manager in New York so they asked me how I handled troubled employees and things like that. On the culture side, I had spent months comparing, and I had memorized American architects and opera singers and ballet dancers and you name it, authors. I'm a big reader. The culture question they asked me was to name my favorite American movie. My mind went blank. I don't go to movies. I looked at them and said, "Can I talk about books, architects, anything but movies?" They said, "No, movies." I named a movie, which turned out to not even be an American movie so I clearly flunked out on that, but I was horrified. What else did they ask me? They asked me about the Helsinki Accords, but they didn't seem to like my answer on that. But anyway, I passed, and they called me back in to the interview room and said I had passed. They had one question and the question was why I had indicated that I would not be available until September. This was in March. I said, "I thought that would be obvious." None of them had discerned that I was pregnant. I did not know it at the time but it turns out that they could not have turned me down on the grounds in any event, but here I was all worried about it.

Q: Well, this shows you the sharp eye of the Foreign Service officer. They say, "Oh."

MALLOY: So in comparison to today's testing it was a very simple test.

Q: Yeah, well actually I had been given, had been giving the oral exam from '75 to '76. So we, I don't know if we crossed paths.

MALLOY: This would've been March of '77 by the time I—

Q: Yeah, I am familiar with that process. It was short and sweet. It wasn't a bad exam. It put you through your paces, and you got a pretty good reading on someone. It was before the lawsuits had really gotten into that process where the exam is now sort of almost untouched by human hands; but there are also some restrictions on the questions you can ask and because we knew something about you before you came in.

MALLOY: And you know they've come back to that. It is no longer blind. You now know where the person went to school, previous work experience because they learned that that's all relevant, but I was pleased. The two people before me were obviously rejected because they went in, came out immediately and went out the door and left. So I thought oh my God they're having a bad day today. I went in, and I made it through so I felt pretty good about it. But that was a quandary because I was married, and about to have my first child.

Q: How did you and your husband and I would say the baby felt about this, but how did you, how did you view this career path at the time?

MALLOY: I don't think he really believed it was going to happen because once you pass the written and oral exams you go on the list, and it's not even clear they'll eventually call you up for service. So there's no sure thing about it. I went back to New York, went back to my job at Dun & Bradstreet, and we talked about it quite a bit. My husband, as I mentioned previously, had a degree in linguistics from Georgetown, spoke several languages and, in theory, was interested in coming into the State Department as a diplomatic security agent. It was a viable career for him, but we just left it until I was actually offered a job.

Q: We were in the midst of, during that time a great increase in security, were we? Did your husband apply for that?

MALLOY: Actually at that moment in time, they weren't open to taking new agents. That increase came later. Because they weren't soliciting applications, he couldn't even apply. As of the time that I came into the service, they still weren't taking in agents.

MALLOY: So there was a fly in the ointment that he wasn't able to get in on the same track. But anyway, I went back to work and I heard nothing from the Foreign Service until my daughter was about three months old. I had gone back to work after my non-existent maternity leave because Dun and Bradstreet, at that time, did not give maternity leave.

Q: Do they even have maternity leave at Dun and Bradstreet?

MALLOY: No. No, you were supposed to quit and go away. I got the call from the Foreign Service to come in probably around March, and I was told—

Q: March of '78.

MALLOY: '78. Or maybe it would've been late February, but anyway I had ten days before my junior officer class assembled. I believe what happened is Congress had authorized 100 new positions for consular offices in Mexico. The officer who called me to offer a position in A-100 said they had to bring in these folks quite suddenly and they ran down the list. It was take it or leave it. Come in ten days. So I had to quit my job and show up in Washington ten days later for an A-100 class.

Q: All right. So you came in well, '78. How did you, how did your A100 course work out? What was your impression of it?

MALLOY: It was the old building there in Rosslyn. I was nervous. I had nothing on paper, nothing but a phone call telling me to show up. They were supposed to send me a cable, but it never arrived. I had quit my job, left my family including a three month old baby, and I showed up at this address, in this room and they had all the tables with the nameplates but there was no nameplate set out for me. I thought I was the victim of a huge practical joke. The man organizing the class looked on the list and said, "Well, okay, you were a late entry. Your name is not here. Just go and sit over at that table." Here I am 31 years later I'm still waiting for someone to come and say, "you know you were never really accepted." But coincidentally he put me at a table with really good people who did very well in the service. It was a nice start. I turned out to be one of the two youngest in the entire class. I thought I would be one of the oldest.

Q: Who were in your class who sort of struck you as people you kept in touch with?

MALLOY: Well, Tom Price who worked very closely with Eagleburger was in my class. Tom Farrell who is back as a Schedule C appointee assistant secretary was in my class and Emi Yamauchi who just retired out of the Department as DCM (deputy chief of mission) in Chile was in my class. Who else was in there? John Schmidt who has just retired was in my class. He was political counselor in Islamabad and served in INR (Bureau of Intelligence and Research). Terry Breese who is DCM in Ottawa right now was in that class. We had a lot of USIA (United States Information Agency) and agriculture folks. It was a good group of people.

Q: How did you find the, your initial look at this profession?

MALLOY: Well, I have to say those days the A100 class was, we were being trotted en masse around for groups of people to talk at us. I found that kind of mind deadening. I was anxious to get down to the nuts and bolts of what I would actually be doing. It was more interesting when I got in the ConGen Rosslyn class and started learning the mechanics because I had been brought in as consular cone officer. I was told if I wanted to wait for an opening in the political cone that they'd probably never get to my name on the list, I was advised that I should take this consular position and subsequently change cones. Of course, that turned out not to be so easily done. The A-100 course I found

useful but a bit tedious at the time. I remember one class that got everybody riled up because so many of my classmates had advanced degrees in English and somebody came in and tried to get us to write briefly, shorter is better. This really did not go over well with the class. But most things were just fine.

Q: Did you have the feeling that women were, I mean you were one of the team now as opposed to Dun and Bradstreet?

MALLOY: No, I had several people in my A-100 class ask me which program I had come through to get into the class. The assumption was that if you were a minority or a female that you didn't take the test and you didn't pass. I found that offensive.

Q: Yeah. Yeah. Of course particularly for African Americans this was particularly offensive, I think. I mean, this is something that hung on for a long, long time.

MALLOY: Yes, the assumption was that I came in through some sort of affirmative action program or Mustang. I found it offensive that on several occasions I had to explain that there was no affirmative action program for females.

Q: Did, did you have any, did you come out of that with any feeling about what you wanted to do? Before you said you wanted to be a political officer, but that's just a name until you know what these things mean?

MALLOY: Well, my goal even before I came into the Foreign Service was to work in the Soviet Union in some shape or form. My goal, once I was in the Foreign Service, was to get into the EUR/SOV club. During my A-100 training those of us who spoke Russian went around to the Soviet desk and talked to the director, Sherrod McCall, and learned the system, how you got a job there. They kept a register of people, and they worked their assignments from there. I went ahead and got myself into that world, made clear that's where I wanted to go, but they weren't sending first tour officers there at that time. That changed later on, but at that time you had to go off and do your first tour elsewhere. I was initially assigned to a consular position in Jamaica. Then, when they found out that my husband wouldn't be coming with me immediately because he hadn't been able to begin the process of applying for DS (diplomatic security), the A-100 coordinators or the assignments folks, I don't know who, decided that they didn't want a single female with a small child in Jamaica. They broke my Jamaica assignment and reassigned me to London. They didn't ask me. They just did it. At that time there was still very much this kind of paternalistic attitude towards female officers. The reason I was assigned to London or any English-speaking country was that I had tested out in Russian right away. So the irony is, even though I was in that cohort brought in because of all these new jobs in Mexico, I personally didn't end up going there because I was already off language probation.

Q: I was in personnel way back. When you had a problem case of any kind, London was one of the, London or Ottawa or some other post.

MALLOY: Dumping ground.

Q: Yeah.

MALLOY: And actually it was a huge problem because when I got to London there were very few functional people because Washington had assumed that London could carry these non-performers.

Q: You know—

MALLOY: It was difficult.

Q: As I say I was talking to, I was doing assignments of the early '60s, and we were, we were concerned about London. London can take it, and this is where if somebody's got a drinking problem or couldn't get along with people or—

MALLOY: Or was incompetent. That to me was a huge eye opener because I had assumed that the cream of the crop would be assigned to London. Everybody would be great, and they weren't. I actually am surprised I stayed in the Foreign Service as I had actually decided to quit after London because I was so unimpressed.

Q: Could you tell me about, I don't want names of course, but some of the stories or people, personalities you ran across?

MALLOY: Well, there was one officer who was, insisted on wearing polyester stretch pants to work every day and who would smoke--. It was all the open counters in those days and this officer would sit there with a cigarette hanging out of the corner of her mouth dripping ash all over the place. Just very unprofessional. There were those that you could never find. I remember being on the visa line, and there were five or six open carrels where you would be doing interviews in NIV (nonimmigrant visa), and all of a sudden it would be very quiet and you would look around and find that you were the only officer there. Everyone else is off on coffee breaks somewhere. There are hundreds of people in the waiting room staring at you, the lone officer. One of my supervisors was just an alcoholic. One was a recycled staff officer who wanted to be a generalist, but didn't want to supervise anybody and refused to do our evaluation reports. He said, just go off and do yourself, I had to write my first one, and I didn't know how to do it. My second one was done by this alcoholic officer, and she said the same thing, just write your own. The boss above that called me into his office and said, "Well, this person has a problem and so I think the report they did is really poor for you and I'd like you to take another shot at it." At that point I just threw my hands up and said, "Well, frankly I wrote it because I was told to but I don't know how to write these things." So, it was a really rocky start.

Q: Well, was there anyone within that consular section who was trying to keep things together?

MALLOY: CG (consul general) was completely removed. There were two or three good officers, and we all hung together. Max Robinson who was a great consular officer, unfortunately has passed away. Michael Marine who went on to be ambassador in Vietnam, recently retired. So there were some strong consular officers. We tried to keep things going. We all three of us ended up leaving the consular section to work for the ambassador as staff aides. That's what saved it for me because I had six months to see that there was more to the Foreign Service than what I was seeing down there.

Q: What type of work were you doing in the consular section?

MALLOY: I did six months of NIV, and then I did six months handling special consular services, deaths, estates, some imprisoned Americans though we had a full-time officer for that. Custody disputes.

Q: I would imagine that, well in the first place on the nonimmigrant side who was coming in? What were you doing?

MALLOY: In those days we issued nonimmigrant visas to Brits. It was before the visa waiver program. But we did a lot of those were mail in or drop off. Most of the customers needing interviews were third country nationals. We had tons of Iranians, all the Commonwealth countries, lots of Libyans. It was one of the few places where they could come and apply. It was interesting but really, really tough. You had no physical protection. The Nigerians, I remember would love to grab the old "refused" stamp out of your hand and start smashing around with this big old metal stamp. It was a little upsetting. People would spit on you. It was not a pleasant way to spend your day.

Q: How about, I would think when you were doing special consular services with, in other words helping essentially Americans who had problems or needed something, this would be where a competent British staff would be doing a great deal of work.

MALLOY: Absolutely, and I had the best because I was a junior officer. For deaths they had Basil Gretsky who was phenomenal. He had been specializing as the deaths assistant for twenty-some years. Elspeth on the other side. Elspeth knew how to deal with, she had a whole set up for runaway wives and all sorts of people, destitutes. The volume was incredible though. The deaths were really difficult because in those days you had to take possession of their belongings. You had to inventory it and assign a value and charge a fee based on that value. We had warehouses of this stuff. Nowadays it's not so much of a problem. That and mentally unstable citizens who needed help getting home. Consular officers all throughout Europe would dump people in the United Kingdom. You're not supposed to do that, but there were actually cases where they would drive them or give them just enough train fare to get to London and end up in my lap. Since they could go no further I had all these--.

Q: As a long time consular officer, yeah. Keep 'em moving, keep 'em moving west.

MALLOY: Get them out of the district. They would all end up in mine. But I learned a lot. That was the job where I learned an awful lot. Once the staff came to me and said "there is this British man and he will not go away. He's insisting on seeing you and he's not an American." So I finally went out and talked to him. He said, "You don't know who I am and that's the problem." He said, "I am Darth Vader." I'm thinking oh my God.

Q: This is a character in the movie Star Wars.

MALLOY: He was the British actor who played Darth Vader in the Star Wars movies.

Q: Oh my God.

MALLOY: The body was his. Of course the voice was James Earl Jones, but most people don't realize he was never under that costume. The man said, "I am one of the biggest stars and nobody knows me and they're telling me I have to go stand in that visa line and I will not stand in that visa line." So we took his visa application and walked him out the back door. He, I saw in the paper that he passed away about five years ago. He was a British body builder. Just, he just did all the stunts and everything. But it was really funny. No one knows my name—or my face—no one knows my face.

Q: Well, of course this is the wonderful thing about consular work for most Foreign Service officers, particularly early on, most come up through an academic, the consular officers are academics, and they've lived in a rather cocooned little world. Then all of a sudden there they are faced with the great unwashed.

MALLOY: Um hmm and the mentally unstable and the prison visits. Going to these British prisons built in the 1700s, stone fortress type—

Q: Dartmoor and—

MALLOY: Been to Dartmoor. Yes. That's where the British keep the murderers. That was a real eye opener. And the deaths. In those days you had to take the passport and identify the body and blessedly Basil would do this most of the time. But on my very first case we got this call; Basil was away. Police wanted us to come and confirm that this was the American citizen who was dead. It was a gruesome case. The only reason in the end I didn't have to go was they admitted that no one could identify from the passport because this man had been killed by holding his head over a burner, a stove and then left there for days before anybody found him. I told the police that my standing there holding that passport against those remains was really not going to do anything. They ended up finger printing and making sure of his identity. But there were moments when I thought "what have I gotten into."

Q: This is the fancy life of a diplomat.

MALLOY: Yeah, and the custody cases were brutal too. But you get the greatest reward too. That's where you interact with people. I would've happily done consular work for the rest of my career if I could just do special services.

Q: Well, that's, what would you say. Let's move away from just the consular section. How did you find the embassy? Was did you find that being a consular officer at that time at least were déclassé or something?

MALLOY: Huge divide. The consular officers would sit together in the cafeteria and rehash, try to outdo each other with the worst visa cases from the morning. All the other officers would stay away. You didn't see any mixing. There weren't too many junior officers outside the consular section because in those days the Service felt there was no political work that could possibly be done by a junior officer. There was one assistant to the management consular and there were the staff aides to the ambassador. Just a few, but they had nothing to do with consular officers. That disturbed me. I didn't feel respected. I didn't like that feeling of being a second-class citizen. And I remember a political officer saying to me, "Well, but you consular officers have to read a newspaper every day." This assumption that if you were a consular officer you were totally brain dead I found appalling, but you had Max Robinson and Michael Marine who were great consular officers setting an example, and they did stick with it to the end. I went up to the ambassador's office to work for Kingman Brewster. He was just a wonderful man. He has, unfortunately, passed away. I got to work with other sections and to see how an embassy was organized, how you made it run, and that was really, really helpful.

Q: Could you talk a little bit about Kingman Brewster and how you observed him and what he was doing?

MALLOY: I never saw him outwardly upset or angry though I'm sure he was, but he was a very, he was a gentleman. There never would be a reason to yell at his staff for instance. He was very gracious. At Thanksgiving time he would have the staff over for Thanksgiving dinner with their families. One of those great people who was a skilled professional but also took the time to think about the people.

Q: He was president of Yale, wasn't he?

MALLOY: Yeah. He was president of Yale. He'd been a Harvard law professor. The Brits loved him. Everybody wanted to give him all sorts of honorary degrees because he related in some shape or form to virtually everything of value to the Brits whether it was academia, law, really good business contacts. He was great. He taught me lessons that I used myself when I was ambassador and when I was consul general. For instance my job was to schedule him when he travelled around the country. I couldn't figure out how he could possibly do in one day everything that he did. He would have couple receptions in the evening and then dinner and I said, "How do you possibly get all these done?" He told me the trick on receptions is no matter what the weather, you never wear an outer coat. You get out of the car. You go through the receiving line; you walk straight through and out the back door and onto the next thing. He said, "All they remember is they saw

you there. No one will ever remember how long you were there." That's a good idea, hard to do in Moscow where you really need a coat. But I would leave it in the car. I would do the same thing in Australia. I would go to three National Day receptions in an evening through the reception, receiving line, straight out the door unless there was somebody useful to talk to and on to the next one.

Q: What, how ___, you were there this would be '79, '80 or so or '80—

MALLOY: I was in London for only 18 months because I volunteered to go to Moscow. I left there on Christmas Eve, 1979. I went home for a wee bit and then on to Moscow.

Q: How did you see Kingman Brewster the time you were dealing with him? How did he sort of deal with the, both the ruling establishment I guess the Tories were in then or was it the Labour party?

MALLOY: I can't even remember to tell you the truth.

Q: Well, anyway. Did he, was he sort of on the move most of the time or—

MALLOY: Yes, he played very little role in the internal workings of the embassy. The DCM, Ed Streeter was doing that. Ambassador Brewster's job was the external. He was our heavy lifter on key issues. For example, theater nuclear forces was a big one, a lot of NATO (North Atlantic Treaty Organization) issues, Iran, this was when the embassy was taken over in Tehran, and of course the British were playing a big role in how we dealt with that. Many, many issues like that were the Ambassador's job. And also even though it wasn't called public diplomacy then, that was a huge part of his job. He was a very smart man but it was hard to get him to read all the things, his two staff assistants felt he should read and we would litter his desk with all these things and it would come back to me at the end of the day and it still wasn't read. Finally he said to me, "Anything I really need to know, someone will eventually tell me." That again was one of the lessons I learned later on when working for the Under Secretary for Political Affairs. You learn how little time they have to read and absorb. The job of the assistant isn't to hand them a piece of paper but to distill it into two sentences. To tell them what they really needed to know. Ambassador Brewster was very well informed, but he would get it from his conversations at a dinner party with host government officials, always working on the leading edge of the issue of the moment.

Q: How did the takeover of the embassy in Tehran in, was it, November of '79 and it continued—

MALLOY: No, it would've been earlier.

Q: Well, there were two. There was February and then the big one was--

MALLOY: The big one.

Q: But how, did that affect you all or the embassy or—

MALLOY: Well, when I was in the consular section they were going to bring in evacuation flights into London and we had to gear up to receive them. In the end they redirected them elsewhere hours before landing. So there was a big consular side to it.

Q: Yeah. Did you get involved in, you mentioned Iranians students, I imagine Iranian students weren't very nice in those days even in the United States. They were demonstrating against Americans in Los Angeles for God's sake.

MALLOY: Well, the irony is that Iranians had been quite active in demonstrations against the Shah for many, many years. As a matter of fact many Iranian students at my university, Georgetown, were very active and they actually had huge violent protests at my graduation from Georgetown because the wife of the shah was the speaker. The irony was that after the revolution in Iran when the students took over, almost overnight it seemed the demonstrations changed to be anti-U.S., but they were all the same people it seemed. But yes, so the embassy in London was the subject of massive demonstrations because we were not far from Speaker's Corner near Hyde Park, and the demonstrators would gather there. The largest that I remember, it was about 70,000 marched on the embassy, which doesn't seem like a lot except the embassy had virtually no setback from the street and it was all glass. I remember working in there on a weekend in the midst of this enormous loud demonstration going on outside and it was a little scary.

Q: Did, how did you, did you have much contact with the sort of the British public? What was your private life like there?

MALLOY: Very little contact with the British government, as a consular officer none whatsoever. As the assistant to the ambassador, organizational protocol type things. But very little, and since I was a single parent, I was just totally wrapped in my job and my responsibilities at home. So I can't say we ended up spending a lot of time getting to know the UK.

Q: How did you manage with your, uh is it daughter?

MALLOY: Daughter.

Q: How did you manage with her?

MALLOY: I had to find what was called a child minder. Somebody in my neighborhood, I would drop her there on my way to work and pick her up on the way home. My then husband actually negotiated this arrangement. He felt it was inappropriate to pay the going UK rate and insisted that we should pay U.S. standards. So he negotiated a rate in British pounds and then there was a huge change in exchange rate. I ended up paying some outrageous sum each week. It was just bankrupting me. I was virtually paying my entire salary to the child minder but couldn't change the arrangement. It was really a struggle as a first tour junior officer at London prices because they didn't adjust our

salary for the increased cost of living. I don't understand why. But whatever they were giving us for cost of living was woefully inadequate. I actually had to borrow money from my parents in order to put food on the table.

Q: I would think something like that would turn you off from--?

MALLOY: Oh very much. Well, the service was not at all family friendly. It was almost like your family was an intrusion and being a single parent was very difficult. I still have my orders when I was transferred from London to Moscow. The language refresher course, my orders read that I was to go to Washington, but my dependents were to go to home leave. So my two-year-old child was supposed to go off on her own somewhere. The post sent in a reclama to the Department explaining to them a two-year-old child couldn't be expected to go, but the answer from the department was the child could come but at my expense, which of course I brought the child to Washington. They also insisted that in the interests of the department that I ship my goods from London to Moscow directly, which was fine, my household effects, but also my consumables. So they made me buy my consumables eight months before arrival. So all the food, and they made me use military commissary, and you know how old the food is in military commissary. So unless it was canned and even a lot of the canned foods were well past their use by date before it was even ever delivered so, and they also didn't advance you any money in those days. So I had to come up with the money for consumables; again I had to borrow from my parents. They didn't have a single pay processing, like when you moved from Europe back to the U.S. you had to change from regional center, and they lost me so I didn't get paid for three months. They wouldn't pay to bring my dependent child to Washington. They didn't advance you money for your consumables, and I was here without any kind of housing because I was TDY (temporary duty). It was just financial ruin. I couldn't see how anybody could survive. Thank God, my parents, the "bank of parents", just kept loaning me money.

Q: Boy. What how did the Moscow assignment come about?

MALLOY: Well, I had of course registered with EUR/SOV (the Soviet desk) that I was interested. They had my language scores. So they came to me and asked me to bid on a consular job there. I was quite happy to do that. I was the immigration, refugee officer. I replaced Sandy Vershbow who had done that job for a year and then went off to the political section. That was essentially a program of issuing visas to Armenians to go as refugees to the United States.

Q: This was 19—

MALLOY: I arrived in July of '80. There were a group of us. We were supposed to get there in time for the Olympics. Of course before we got there the U.S. government decided to boycott the Olympics. So we still went, but we were not allowed to attend any Olympic events even though we were physically in Moscow. Though some of us cheated and watched the TV.

Q: Oh heavens. You didn't turn yourself in?

MALLOY: No. But for me, I may have mentioned already that my grandmother had participated in the 1936 Olympics in Berlin and her son competed in the 1964 Olympics in Tokyo, and I was so excited that I would finally get to the Olympics. But I was in the city, but I could not attend. So it was not a very happy moment for me, but I understood the rationale.

Q: Okay, well, let's talk about Armenian refugees. As a consular officer who was doing his initial assignment back in '55 when I came in as a refugee officer in Germany, I had discovered we were issuing refugee visas to Italians and to Dutch. At one point I asked why. The answer was very simple. Immanuel Sower was from a, was the head of immigration or something, I think was from New York, an Italian neighborhood. And the lady I can't remember her name but was a Republican minority on the immigration committee was from Holland, Michigan, and all of a sudden we went through the convolutions of the damned to come up with refugees in the Netherlands and in Italy, but it was done.

MALLOY: Well, the way this came about is that for political reasons and for true reasons related to democracy, we had a quota of refugees from the Soviet Union, but under the Soviet system only Soviet citizens who could show that they were being reunited with families could get exit permission. That was the only accepted reason that one would leave the communist paradise. There were only two large groups, Jewish, and only if they were going to Israel, and Armenians because they both for historic reasons had this diaspora of relatives. It didn't have to be an immediate relative. There were certain things you could play with there. But Israel had to be the destination for the Jewish immigrants unless they were married to a U.S. citizen going out directly.

That meant we didn't process Jewish people who were planning to go the United States. They couldn't interact with the U.S. government until they got to Rome or Vienna. They dealt with, the Dutch I believe were the operating the interest section for Israel because Israel didn't have an embassy in Moscow in those days. I remember my Dutch colleague telling me about the great struggles he'd have because in those days the Soviets would impede entry to the consulates by the people who wanted assistance. The Israeli government actually had a fund to give money to Jewish people for their sustenance, which we didn't do with the Armenians. People would be harassed or physically prevented from coming in to see him. He told me once he was so irate when he saw this happening on the street below that he walked downstairs and he grabbed this visa applicant by the hands to pull him inside the consulate grounds and the Soviet militiaman grabbed the visa applicant's feet and they pulled back and forth, on and on and on and on and on and on and on and on. Finally the diplomat won and got the guy inside and instantly he realized "oh my God, how am I ever going to get him out again!" We, of course, had the Pentecostalists living in the U.S. Embassy at that time. This Dutch diplomat had visions of now having to house this person for the rest of his natural life, which didn't happen in the end. But it was a very strange time. It was a time when we really rejoiced if we could actually get somebody out of the Soviet Union. There's a huge

political lobby for the Armenians in California. We started calling Los Angeles *Los Armenios* because of the number of Armenian people we sent there. What I learned in the course of this work is that the Armenians were tremendously adaptable. If a sponsor, sponsored relationship fell apart, let's say the elderly relative who was supposedly hosting the immigrant died, other Armenians, total strangers, would step in, pick up sponsorship and the community would find housing, find jobs. These people were very successful. The refugee organizations were always happy to take Armenians. The Russians on the other hand were very hard to resettle, and the sponsorship was very spotty and didn't work as well, and I found that a real eye opener. It's a cultural thing.

Q: Did, for the Armenians, did you, was there sort of a vetting that you were giving them?

MALLOY: In theory but the normal vetting couldn't be done because the Soviets wouldn't cooperate. Normally we would go to the host government and look for criminal records, and they refused to give us that information. So we had to rely on the honesty of the person and they'd have to say yes, I've been arrested or no, I've never been arrested. We had to rely on their honesty when asking them if they'd ever been a member of the Communist Party. Occasionally somebody would dob somebody in. We'd get a letter saying you should know that this gentleman has an arrest record or they would admit to an arrest record for black marketeering, which is very, very common because the Armenians were the wheelers and dealers of the Soviet Union. They were the merchant men. We would then have to get a waiver. Or they'd admit to Communist Party membership because it was the only way they could survive and we'd have to do a waiver. So it was very complicated.

But if they had criminal records we really had no way of knowing. Medical, we had no way of knowing the veracity of the medical they supposedly had. So the deal was we would do the preliminary processing. They would all go to Rome. The United States INS (immigration and naturalization service) would take them and do it all over again, do the medical under our control, do their best to verify family relationships. We had no way of knowing whether this was a nephew or a son, for example.

The Soviets though would get really nasty on two things. One, they considered any documents to be property of the state. So when these people left, they were not allowed to take their marriage certificate; they were not allowed to take their college degree—nothing. They were stripped of everything they would need in the new world to set up their life. We would mail these new documents to them, and it was supposed to be documents only. Well then there was gray line. They would come in saying here's my family Bible. Could you mail this to me? My jewelry, no we can't take your jewelry.

But we would try to help them along those lines, I had one gentleman come to me and say, "This is my life work. I'm a professor and this is the history of the Armenian people and the Soviets won't let me take it with me when I emigrate. Would you mail it to me?" And it's in the Armenian language, a different alphabet from Cyrillic, so I can't read a word. I can't do mail it inside the USSR so when I went on holiday to Finland, I took his

manuscript, went to the Finnish post office, paid for it personally and I mailed it to him. Then I worried that I would be fired from the Foreign Service. I never heard a word until two years later, when I received a box mailed to me in the pouch by the State Department. It contained a book and a letter from this man who was now living in California and has just published his book, which turns out to be the definitive history of Armenia. He really was a professor. It's his letter thanking me and sending me his first book. He ended up publishing four volumes. As he did not know where I was serving at that time, he wrote to the department to ask that they forward his thanks, and the book, on to me….. for something which I never should've done. The last thing I wanted was him writing the State Department telling them that I had done this. But anyway, they forwarded this to me without commentary, and I didn't get fired. But you had to use your judgment.

Q: Well, did you find, this was of course a difficult period because the, no longer the Iranian crisis, but the Soviets had gone into Afghanistan.

MALLOY: Exactly, yeah.

Q: And this caused the boycotting of the Olympics and other steps. This is a pretty low point in our relations with the Soviet Union. It was, this, how did this play out when you were at the embassy?

MALLOY: It was very rough. I lived out in, they had compounds for diplomats. They would try to keep us separate from the Russian people. So there would be big burly Russian guards outside the entrances to keep the Soviets out, keep us in, but that meant they also had complete access to your belongings. And so they would routinely go in the apartment and mess things around, and my car was absolutely trashed. I came out once and I just happened to notice there was this chain from the back of my car, and they had taken a huge block of concrete attached to a chain and hooked it to the undercarriage of my car. So if I hadn't noticed it would've ripped out the whole thing when I drove away. They shattered my windshield. They put something in my gas tank. I only found out later that I had replaced somebody who they thought had been in a cover position, a single female, and the Embassy had put me in the same apartment and the Soviets assumed that I was also part of this. So I was getting extra treatment. It was just really miserable. We were restricted to a radius of about twenty miles of where we could go from the embassy. You couldn't drive around. You had to request permission and all this stuff. It was, the thought of making friends with a colleague in the Soviet foreign ministry was unheard of. We were barely civil to each other. I would go over there because I also had to handle the Soviets married to Americans who couldn't get permission to emigrate. The refuseniks were part of my job. That was part of my job. I'd have to go over to the consular part of the ministry of foreign affairs and beg for exit visas for these people. They'd make you wait three or four days before they'd agree to see you and basically say no, go away. It was a very difficult time to be there.

Q: Well, were you sort of screening the Armenians go to them and then we'll move to the other, the Armenians, trying to get information from them to see if they were of interest to

us. I won't want to say this isn't espionage but this is what diplomats do. They ask questions. Did you find--?

MALLOY: We did because since the government wouldn't talk to us. They were our only source of information on the process. They would have to go to their local office of visas and local registration, the euphemism was OVIR (office of visas and registrations) to start the process of exit permission. That office would periodically close, six or nine months at a time. So as we interviewed them we would always be asking them well, how many more people were you aware of in the pipeline? How long did it take you to complete this process? What were the ins and outs? Sandy Vershbow actually had them filling out a questionnaire while they waited in the waiting room, and then he compiled all the information from months of these questionnaires and did a reporting cable on that. Unfortunately, at some point, one of the visa applicants left the consular section with that questionnaire and gave it to the Soviets. We got a diplomatic note protesting that we were conducting these nefarious intelligence operations against these poor visa applicants. So yes, we were always interested in information from them. You have to bear in mind though that our local staff were all supplied to us by OVIR the, by UPDK, which was the diplomatic service agency, similar to our office of foreign missions only their job was to keep us from doing anything, not to help us.

Q: Yes.

MALLOY: So all of the employees that handled all the files were actually reporting to the Soviet government, not to us. You didn't want to get into too much because you were putting the applicants at risk.

Q: Now on to dissidents. What were we doing, who were the dissidents and what were, did you get involved in them?

MALLOY: Well, Andrei Sakharov was the biggest name but when I got there he had already been confined to the city of Gorky. In other words he was not allowed to leave the city so only his wife, Elena Bonner, could come to Moscow to talk to us. It was a big deal for me to be in a meeting where she could come and give updates on what he was doing, and she, of course, could meet with the Ambassador if she wanted. There were lots and lots of others, in my job I would see more refuseniks than dissidents. The dissidents were the people who were there trying to change society. The refuseniks were the people who wanted to leave but had been refused permission to leave. I had responsibility for those who had married American citizens but had been denied permission to get out.

Q: Could you do anything with the refuseniks?

MALLOY: We did. We would use congressional visits. We would use high-level visits. We were constantly handing over lists of people that we were particularly pressing to get out. Some took much longer than others. Some, the marriages broke down before they ever got out. I mean just the stress and strains of time. Some were more complicated because to get out they'd have to go through a divorce because one couldn't leave and the

other had to leave. I had some really heartbreaking cases, and then they wanted to get back together, but they were no longer legally married so the one in the U.S. could not legally sponsor the other. We did have an impact. A lot of these people would've never gotten out but for the work we were doing. The heartbreak is when you worked really, really hard to get somebody out, and then they walked away from their U.S. spouse. You really couldn't tell. You just had to take these things on a leap of faith.

Q: Did you work on this the whole time you were there?

MALLOY: I did this for the first year I was there, and then, bearing in mind I had wanted to do something outside the consular work, at that time there was this commitment to rotate in your first couple of tours. I hadn't rotated in London, the six months stint as an ambassador's aide didn't really count. I wasn't getting a shot in Moscow and someone in the DGs office came to visit the embassy, and I asked to meet with him. I sat down and explained this whole saga. I had wanted to come in as a political officer. I had been told to take the consular position offered, that I could switch cones at a later date but that seemed a whole lot harder to do than I had been told. Then I had been told I could at least have a chance to rotate into another cone, and it wasn't happening. It was happening for the other officers but not for me. I forget who this was, but he said, "If you want, we can arrange for you to be a GSO (general services officer)." I said, "No, no. You're not getting it. I would really like a substantive job just for a year to see if this will work for me." Well, in the end I got the chance to be a science officer for a year. I was very happy to have it. Ronald Reagan was president. Things got very bad bilaterally, and when I was on home leave right after I had made the switch or I was about to make the switch, all the bilateral agreements that I had been assigned to handle in the science office were canceled by President Reagan. There's a lesson. We walked away from some really good science agreements. Leaving me a lot of extra time so the political section borrowed me and I ended up doing a lot of work on nationalities, Central Asia, stuff like that. So it was a good year.

Q: Okay, who's the ambassador?

MALLOY: When I got there it was Tom Watson from IBM for the first year, and then we had a bit of a spell and then Jack Matlock came and was chargé for quite a while. And then right at the very end we got Arthur Hartman as ambassador.

Q: How did you get any feel for the ambassadors, how they related to the staff and under the very difficult circumstances and also what they were, how they operated within this very unhappy relationship with the Soviets.

A: Well, Tom Watson bless his heart. He had a vision of the Soviet Union that was colored by his work in World War Two when he had been flying in Lend Lease supplies, and he felt he had a special connection with the Soviet people. He did not really get them. I remember I would occasionally sit in on country team meetings. I guess the consular, junior officers would rotate. I found myself at a country team meeting and the lead PD

officer, then it was USIA, was talking about a book that Philby had just had published, Kim Philby being one of the infamous UK spies.

Q: Spies, yeah.

MALLOY: Tom Watson looks up and says, "How do you think he got the manuscript out of the country?" Of course, because the only way to get a book published in the West was to smuggle it out. The whole country team , everyone's looking at their shoes and nobody wants to explain to the ambassador that this piece of Soviet propaganda lauding the Soviet Union by Philby had absolutely no trouble getting it published by the Soviet press. It was strange. But there were remnants of the spy scandals there. When I was working as the immigrant visa officer, I ended up processing an immigrant visa for one of MacLean's children and it was fascinating.

Q: This is Burgess and MacLean.

MALLOY: Right. MacLean's children had been born in the United States but had been deemed not to have acquired U.S. citizenship—

Q: He was attached to our embassy, to the British embassy at the time.

MALLOY: At the time. Their mother was an American. They were born in the United States. They were still held not to be U.S. citizens.

Q: I would think with their mother an American—

MALLOY: I know it's, it was actually a very unusual case. So the mother regained her citizenship. She had left the Soviet Union, went and got her citizenship back, claimed that she was forced into all this by MacLean. She then sponsored her adult sons as immigrants to the United States. I ended up processing the visa for, I think, the younger one. The other fascinating thing I came across there was culling the files. The files were all held as classified to keep them away from the local employees not that there was anything classified in there. Periodically they would be purged, the files. They were going through and throwing them out and the files for, my mind's going--. Marina Oswald—

Q: Oswald, yeah.

MALLOY: Her immigrant files with her petition from her husband and everything were just pulled out and were to be shredded, and I tried to save them but I was voted down. No, I was told, they have to be shredded. There was just so much history in these files. It was fascinating. But anyway, as far as ambassadors, yes.

I have to say that Tom Watson and his wife cared a lot about the staff and the community and they spent their own money bringing entertainment. They brought Bob Hope over to perform for us, which was really wonderful. They installed all sorts of playground equipment, both at the chancery for the families who lived there and then out at the

dacha, for people to use. Fourth of July, they augmented the picnic. They were very caring people. It's just he never truly got a clear idea of what he was dealing with. Ambassador Hartman was great and was a very good person, really knew his stuff. I enjoyed working with him.

Q: Did, were we able to make any, did you see any cracks in the Soviet opposition? Was there any progress made in any of the fields that you were involved in?

MALLOY: I was there, in hindsight you can see the cracks, but they weren't apparent at the time. One example is Mike Joyce who was science counselor. I worked for him. He would have an idea a minute and was always trying to find new ways to bring us in contact with the official Soviet community so we could learn more, interact, influence them, whatever. He would for instance, read in the newspaper that a group of Soviet scientists had received awards from American scientific organizations. He gave me the list and said, "I want you to go off to the Ministry of Science and tell them we want to host a reception for these people, congratulate them on this award they got from our country." I got a very cold shoulder from the ministry; they would not answer me. This drags on for months; I keep going back and forth with the ministry. When is this going to happen, let us know, let us know. It finally turns out the whole thing is fictitious. The awards did not exist. These scientists did not exist. It was a propaganda piece totally made up in Pravda, and they're furious with us because they think we're calling their bluff. We just wanted to host a reception. They were that desperate that they would be making these things up. It was shocking. Anyway, the lack of resources available to the minister of foreign affairs was surprising. So all of this, this weakness was pretty clear, but we vastly overestimated the power of the Soviet Union because we would look at a few overt things and think that the whole country was like that. We were so restricted on what we could see or who we could talk to. It's amazing that we knew as much as we did.

Q: Well, did you, twenty miles, you go out twenty miles outside of Moscow I would assume—speaking from my Yugoslav days—you leave Belgrade, you go twenty miles out and you're back in the middle ages.

MALLOY: Yes, even before you get to the airport people would be getting their water out of the communal pump by the side of the road. All of that was very, very visible. The way you would judge power would be by the quality of their manufacturing output or a military base or even the backend operation of an airport. We were not allowed to see anything like that. So seeing that yes, there were a lot of babushkas in the countryside—

Q: But looking back on it, I would think we, would you be getting the idea things don't work.

MALLOY: Everything was always closed for cleaning. The real eye-opener for me, I had my appendix out in Moscow, Bodkin Hospital. Bodkin was the diplomatic hospital or the hospital designated to serve the diplomatic corps, and it was supposed to be the best, the most elite, the cleanest, whatever. My experience there, you could be in the deepest backwoods of Africa and have a more advanced medical situation than we encountered

there. I remember when I got out and recovered I actually wrote a cable describing the set up and it was jaw dropping.

Q: Well, I'm not trying to go for gruesome details, but I think this might be a detail you want to talk about.

MALLOY: You'd have to really like gruesome. [laughing]

Q: Well, it's—

MALLOY: Well, the thing is first of all they had absolutely no resources. No nursing care, and the hygiene was abysmal. We reached the hospital and they rolled me in to the emergency room. The way they examine you is they roll the gurney in a room, and there's benches all around here, and the relatives of all the other people are sitting there on the benches, listening to your discussion, no curtains, no nothing. The doctor decides that he needs to examine me internally, and he walks over to a radiator and picks up rubber gloves drying on the radiator and puts them on and comes back to examine me in the communal rubber gloves.

Everything from bandages and blood and guts and everything is thrown in an open bucket on the floor right there, and when they were rolling my gurney, inadvertently they knocked it over so the floor was awash with this disgusting mess, fortunately I'm looking at the ceiling. It's just the people who had accompanied me who had to hop around all over this--. I remember they needed to shave my stomach so they had this rusty old razor blade that they used and they used some antiseptic that was so caustic I had burn marks all over my skin for a week after. They couldn't give you painkillers except in the arm. Even when you had an IV (intravenous), they couldn't put the pain killer into the IV line because their pharmacology was so basic they couldn't, the way explained it to me they couldn't grind it fine enough so they had to give it by injection in a muscle, not in the vein. The hospital was so filthy that every four to five hours they had to come and give you these massive penicillin shots, which were extremely painful. It was just awful.

I didn't get moved at all so within the first 18 hours I had developed bedsores because the painkillers just kept you unconscious, they did not lowered the pain enough for you to move around. The embassy decided they had to get me out of there. The Soviets decided to put a quarantine on the hospital to keep anybody out. Russians could come and go, but this was a quarantine for diplomats. So the embassy finally got a bunch of burly Marines and a stretcher, and they strong armed their way into my hospital room and put me on a stretcher and carried me out of the hospital with the hospital staff screaming and yelling and carted me back to the embassy and took care of me.

Q: What did they do back at the embassy? Did they get you--?

MALLOY: Well, they took, there was a wing of the old chancery that had a lot of apartments mainly used for TDY apartments. And they decided they would set one up as a little hospital room and put me in there. But what they hadn't anticipated was the

elevator was a little two-man stand up. And I was on a stretcher and they realized all of a sudden that they had to carry me up four flights of steps. The GSO who ended up holding one corner of this stretcher would for years come up to me and tell me his arms were considerably longer than they had been before he had to cart me up there. They just put me on a bed, and people at the embassy took shifts throughout the night to stay there and make sure that I was okay. It was really nice. It showed me the sense of Foreign Service community that I hadn't felt in London at all. Other people were taking care of my child because I was a single parent. I had a nanny and other people watching over my then four year old. So it was dicey.

Q: Yeah, this is well, I, even now in Russia the lifespan is remarkably short there.

MALLOY: And getting worse. For men it's under 60. But that is for poor health habits. It's smoking; it's alcohol; it's terrible diet; it's lack of exercise. They're really, really good at things like cardiac surgery. What they're really, really bad at is replicating countrywide basic practices. It turns out, they didn't operate on me for almost fourteen hours because everybody was terrified I would die. No one wanted to be the one who killed the diplomat. The embassy doctor sent me to the hospital because he did not think I would make it through the night without surgery and the next flight to Helsinki was not until the following morning. But then the Russians stuck me in a dark room and closed the door for 12 to 14 hours. I thought they were letting me die. Actually the only reason I didn't is the Marine who had gone to the hospital with me refused to leave until he could confirm that I had undergone surgery. They told him I had been operated on and I was resting comfortably. And he, after a long night of sitting down in the emergency room, snuck away and went room to room in the hospital opening the doors and calling my name. Finally this Marine calls my name in this dark room and says, "Oh I'm so glad to hear everything went well." I said, "They haven't even operated yet."

Q: Oh God.

MALLOY: I had been there all night. So he went out in the hallway and started screaming and yelling until he made them come in and operate or I probably would've died.

Q: It's—

MALLOY: It was a very nasty time period.

Q: Did, you were dealing, you finally had a piece of a the political action dealing with the, well the—

MALLOY: Central Asian nationalities.

Q: The nationalities. This is the 1981 so—

MALLOY: '81-'82.

Q: What were you seeing? In the first place when you did it, what was sort of a feel about the nationalities and what were you seeing?

MALLOY: Well, at that time, with everything going on in Poland and the first signs of the Eastern Bloc breaking up, everybody was interested on political external issues in those days. If they were interested in political internal, it was how long would Brezhnev live and who would take control after him. The issue of ethnic nationalities was not really high on anybody's list. I found it fascinating from an academic point of view, but there was not a great audience. So what I tried to do was go after two angles that might be of interest to Washington. One was how were the Central Asian nationalities reacting to the invasion of Afghanistan because it was right in their back door, and at that time the noncommissioned core of the Soviet army was predominantly non-Russian speaking nationalities. The other was demography. European Soviet women were not producing enough children to replace the European population. Central Asians were producing five or six children each. What did that mean in the long run?

I was able to get some traction and readership in Washington on those two issues. One of the other officers, Ross Wilson who was an econ officer, and I actually traveled to Central Asia around September of '81. We got some good reporting out of that. We also got in trouble with the Soviets because we were doing things like going in cemeteries and trying to look at the dates of death of young men and figure out how many of them had died in Afghanistan. It was the only way we could get information , by reading tea leaves because there were no official information sources. So we irked them in a couple ways by doing that. Now people find that information very interesting, but at the time it was really looked at as a secondary thing. It's the only reason I got to do it as a non pro reporting officer.

Q: I was going to say, did you find, was there sort of a nationalities nerd in INR or CIA (central intelligence agency) was interested in this sort of thing?

MALLOY: Well, they were and I remember I got, the best thing as a political officer is when somebody responds. Somebody actually reads your work. The cable that I did on nationalities and women—it was basically talking about the demography where the Russian women would say it's suicide to have more than one child. I did get feedback from Washington that they'd be interested in more of that. That would've been coming from the agency or INR, not necessarily anybody else.

Q; How are women, were abortions common with European women or birth control or what?

MALLOY: That was the method of birth control. It was the only reliable method of birth control. It had a terrible impact on women's health because the scarring then prevented them from having children when they wanted so it became part of the fertility problems. Nobody in their right mind would have more than one child. There were no disposable diapers, not even what we called plastic pants. In other words every time the child had to

relieve himself it required a complete change of clothing. There were no washers and dryers. So these professional women, in addition to working all day long, would spend every waking hour searching for food, clothes. When the child got to school their mothers had to spend hours getting notebooks and pens and pencils and immunization and bribing teachers. The load on the woman was so incredible. Soviet fathers would've happily had more children. But they weren't involved in any of the work in raising them. The institution of grandmothers was invaluable. Without babushkas nothing would work.

Q: Did you, were you able to tap into, maybe it was a later period but these sort of public school, public adult lectures that they would have? You know what I mean—

MALLOY: Yes.

Q: These would be almost like town meetings or something.

MALLOY: That would be a later phenomenon. You know wherever we traveled when we could travel we would attempt to go to public gatherings to interact with people but very little would be open to us. I remember only in one place in Armenia were we actually invited into somebody's home because people were terrified of being with the evil spy diplomats. So the only people who would seek you out and associate with you were dissidents and refuseniks because they'd already hurt any chance they'd have of doing well in the society. You would get a very skewered view of the society from their perspective.

Q: How about newspapers and all, Pravda, Politica?

MALLOY: It was an art to reading these publications because they used the same words over and over again, and you had to know that the most important thing was the penultimate paragraph. Again it was reading tea leaves. We would, it'd be most exciting topic of conversation country team if somebody actually sighted Brezhnev out in public. Then the next question would be, did he actually move? I mean, he was virtually catatonic at this time.

Q: Yeah, whether people carried him or not?

MALLOY: Well, that just--. We were just guessing from little bits and pieces of information.

Q: Was there any discussion, something I've never heard a really satisfactory answer to. Why in the hell did the Soviets go into Afghanistan in '79?

MALLOY: They were propping up the regime that they were supporting.

Q: There was two, I mean, there were communist, one communist regime was, there were communists regimes there.

MALLOY: Yes, but only one they supported. There is a whole series of empires that have grossly miscalculated the difficulty of conquering Afghanistan, the British being the first, the first in modern history. I'm not an Afghan specialist, but it was a serious miscalculation by the Soviets.

Q: Was this becoming apparent while you were there or was this--?

MALLOY: Well, it was draining them. What it did also was it brought out in stark relief the demography issues within their military. They went back and forth between not trusting Central Asian soldiers to serve in Afghanistan thinking, oh well, they're going to side with their Muslim brothers to sending them in thinking, oh they'll be more acceptable and easier, able to communicate. The Russians didn't seem to understand the differences between all the different Central Asian peoples or didn't care about the differences between all these. I remember a Russian ambassador that I was working with at one point in Kyrgyzstan and I was talking about—

Q: This was much later.

MALLOY: I was trying to learn the Krygyzi language, at least enough to have the grace phrases. And it's a tricky language. It's not Russian. It's very difficult. He looked at me like my head was screwed on backwards and said, "Why would you even bother?" It was this dismissive attitude. So their lack of empathy and understanding really hurt them in terms of deciding how to use all of these recruits in Afghanistan. It was very ham-fisted and they made it worse whatever they did.

Q: The Russians are probably the worst of the colonizers.

MALLOY: They did a pretty good job in Alaska.

Q: All right for a while.

MALLOY: Well, they're getting smart now because they realize that they can have their cake and eat it too. They can have just as much influence in Central Asia without picking up the bill.

Q: As you went there did you feel that the Soviets were making a tremendous or major investment in Central Asia because you know Kyrgyzstan, you know they put more into it than they got out of it.

MALLOY: That's debatable. They put a huge amount of money in there. The budget of Kyrgyzstan, I forget the exact figure, was 20 or 25 percent maybe as much as 30 percent was directly funded by Moscow. The whole social, medical, health infrastructure, everything was put in by Moscow. But what Moscow got out of it were the resources they needed, the uranium, grain, meat and corn production. In the end, with the breakup of the Soviet Union after all those years of taking resources out, the state debts were left behind. So let's say the Soviets built a huge corn oil producing facility in Kyrgyzstan.

When the breakup of the USSR occurred the Kyrgyz inherited this huge nonfunctional entity because why would you grow corn in a desert, in an arid region unless you have unlimited resources. But they also got all the debts for that state enterprise and they got responsibility for all the workers' villages and the schools and hospitals. So it's almost like the Russians came, took what they needed. They left behind all the uranium tailings, which would be an environmental nightmare for hundreds of years, and took the yellow cake uranium. When they took the weapons apart, as part of the START Treaty, and they sold the highly enriched uranium to the United States, nothing went back to the Kyrgyz as compensation. The Russians were selling it and getting the money. The Kyrgyz got nothing but debts and environmental damage. Kazaks got nothing.

Q: Well, when you left there you left there when in—

MALLOY: Left that tour in Moscow in '82.

Q: What?

MALLOY: Summer of 82.

Q: What was your impression of the Soviet, here you'd studied Russian and steeped yourself in this whole thing before you came into the Foreign Service. Okay, you'd seen the elephant. What did you think of it by the time you left in '82?

MALLOY: Well, to me it was sputtering badly. I mean, it didn't seem real that in my lifetime the USSR would change because the police structure and the government control was so strong. But the economy, the standard of living, I could see a huge difference in the quality of life between my first visit in 1971 and the summer of 1982. It was dramatically weakening, but what I didn't realize is how quickly this would all play out. I just thought it would get more and more regressive and authoritarian.

Q: Well, were you seeing something that was happening that in the West artificial intelligence, electronic computers and all of these things were just beginning to really bite into the, into our system and become very important. Were you seeing people at the embassy talking about the apparent growing discrepancy between the two spheres of influence?

MALLOY: We have to bear in mind at this point there was one Wang computer at the embassy. We were totally paper. We could all take turns on this computer. You had to sign up for it. And basically you could do word processing and you could sort by alphabet. I was still in, when I started this I was in consular section and it struck me that a very large number of Soviets were getting visitor visas to the United States to study to science, and because I was going to go to the science section I was interested. I was keeping track of all science related visas and what the applicants were actually going to visit, and what the purpose was. At the end of six months I hit sort and I spread the report around the building thinking, well, academic interest. What it showed was the vast majority were going to conferences that had to do with lasers. Nobody ever looked at the

aggregate before. What we were seeing is that with our open society they need not bother developing clandestine information. All they had to do was show up at a scientific expose in the United States and it was just all there. And that was the beginning of the efforts of Visa Mantis to start taking a look at visas where the person is going to have the ability to learn potentially sensitive technology. But we were so woefully under resourced. There were no faxes, we didn't have even telephone contact with the Department unless we called and booked days in advance with the Soviet telephone company. Maybe they'd call. All our communications were in the form of cable or the infamous OI which was an unofficial cable. So it would've been hard for us to see the gap to tell you the truth.

Q: No, things I mean, it is hard almost to go back through not that long ago when things moved so rapidly. Was anybody I mean, sort of shaking their head and saying this place won't work and all.

MALLOY: Well, it doesn't work, nothing worked. But it wasn't going to go away. In other words what struck me and a lot of other people is the only thing that would bring about change would be a gradual cohesion of people who wanted something different. But instead what you had is people asking "how do I make the system work for me." It was a fight amongst the Soviets to get connected to the right people in order to promote their family interests. In other words they weren't motivated to change the system. There were very few people, Sakharov being one of them, saying "I have a moral revulsion with the way the system is running. We need to come together and change." Instead people would just say "the system isn't working so I need to find someone who can get my kid into university to take her place at the trough" rather than "we've got to change the trough." We weren't seeing that kind of change. We were not going to be able to force change. We had some really good public diplomacy programs in those days. We had America Magazine. We had the USIA exhibition tours. There were the book expositions. Because the Soviets controlled the flow of material in to the USSR, the U.S. government would sponsor book sellers for participation in commercial literary exhibitions around the USSR. The vast majority of the display books would be stolen at these shows, which of course everybody turned a blind eye to because it was the only way to get books in. There were organizations in different places, I know I went to London and picked up all sorts of books that were about this big—

Q: That's very small.

MALLOY: Small enough that you could put a it in a pocket or something, and you could bring them in and give them away. Dr. Zhivago, for example, and other books that had been banned by the Soviet authorities. There were lots of programs to try to influence thinking, but what drove me crazy was people were so passive. It raised the dissatisfaction level, but that didn't translate into the need to change the system.

Q: What was life like there, sort of social life in the embassy?

MALLOY: It was all focused on, it was great actually. Probably the best anywhere in my entire Foreign Service career, but it was all focused on the diplomatic community. Each

mission had something, a club that would be open to other western missions. Now the Yugoslavs were the one exception because Larry Eagleburger had included them because he had very strong ties from the days he spent in that country. So they were allowed to come into the Marine bar and things, which subsequently turned out to be hugely problematic. But on different nights of the week it would be the British or the Australian or the New Zealand or the U.S. The defense attachés office socialized primarily with other defense attachés in a separate group for a variety of reasons. One of which was the Pentecostalists who had taken refuge at the embassy. I was responsible for the care and feeding of the Pentecostalists for a year. I found that this had become a hugely divisive element in the embassy. There were a number of people in the defense attaché's office who were very Christian and felt that these people were not being treated appropriately. So one of the things I did early on was I got permission to set up what now would be called an EFM (eligible family member) job. My pitch to post management was to let me hire one of the defense attaché's spouses and make her responsible for the care and feeding of the Pentecostalists. This way the folks in the DAO could see first hand how they were treated. It worked beautifully. Within months they realized that these people were being treated appropriately, and eventually the DAO folks also realized how difficult the Pentecostalists could be. The divisive issue went away.

Q: Although I know about it I mean, but for the oral history could you explain the origin and what was the Pentecostal situation?

MALLOY: Over Voice of America we of course had been broadcasting for years U.S. government views. A group of fundamentalist Pentecostalists who lived out in Siberia had very much taken to heart the U.S. message that we want to help Soviet citizens. Unfortunately if you translate the word "help" into Russian, it's not the same as it is in English. In English it can be just an offer of moral support. But it's a much stronger word in Russian as in, "we are going to take care of you." So this group, who had repeatedly tried to leave the Soviet Union because they were being persecuted for their religious beliefs, had been repeatedly denied exit permission, decided that they would come to the U.S. embassy for help. And their plan was to rush past the Russian guards who physically controlled who could come in to the embassy, and just stay, take up residence in the embassy until they got exit visas. It was a large group. There were two families. They each had eight to ten children. And in the mêlée at the embassy front gate they didn't all make it past the guards. One father and mother and three or four of their daughters made it through, and one mother and her son made it through. The others were bundled up and sent back to Siberia. We had these two mixed families, who apparently were not on the best of terms back in Siberia and who were now forced to share close quarters, first the consular waiting room, for the longest time. Eventually they were moved into what had been a TDY apartment, and there they were for almost five years seeking exit permission. When I arrived in Moscow they were living in the TDY apartment, and the media, U.S. media, was criticizing us keeping them in this "dark horrible apartment," supposedly akin to a dungeon, which, of course, had been assigned to Foreign Service officers before their arrival. On my second tour at Embassy Moscow, this same apartment became my office space. So we didn't take kindly to media characterizations of their apartment. They remained at the embassy as we made representations asking that they be allowed to leave

the Soviet Union. They did eventually get out. That in itself was a long story of how they got out.

Q: But somebody was designated in the embassy to take care of this problem.

MALLOY: Yes, somebody had to buy their food. It was felt that if the U.S. government supported them that would only harm their case, and their family members were being tormented and accused of being spies. So they wrote a book, and the book was sold out West in the United States and other places. That generated revenue and that revenue was disbursed to them and that's the money that was used to buy their food, clothing, etc. But they could never leave the chancery grounds. They'd never get back in again so their whole world was restricted to that miserable little compound.

Q: What about the children?

MALLOY: The children grew up over the years. I forget how old they were. But I guess the youngest must've been about 20 when they left so she was about 15 when they came in. And the boy was about 21, 22 when they eventually got out. There was a romance between the youngest girl and the boy supposedly, but when they all got the United States, they ended up going their different ways. About five years into all of this, the oldest daughter went on a hunger strike including no fluids so she rapidly deteriorated, and at one point either she had to be hospitalized outside of the embassy compound or she would die. She just had had enough. So the deal was that she would go into a hospital, and the Soviets would find some fictitious way to allow her to get an exit visa to leave, and she would then become the anchor sponsor for the rest of the family. Then they had to find a way to include this other non-nuclear family, and at the last minute they wanted all the relatives in Siberia, and some of them had married over the five years and it was just a long drawn out affair. But they did get out.

Q: Did, how did you find on the nationality thing, did you find that the other embassies could give you good insights into this. Was there an exchange of information? Or were you generally the in-for-me informer?

MALLOY: The travel restrictions applied to all embassies, and we were probably the largest so our ability to cruise around the country was greater than most other embassies. We probably knew more than others. It's still common, for instance when I was Ambassador in Kyrgyzstan the Dutch ambassador in Moscow was responsible all of the former Soviet Union. There's just no way that he could get out and about as much as we could. But I don't know that there was any great interest in demography at that time. Later the German government took a great deal of interest in helping ethnic Germans return to Germany.

Q: _____ Deutsche I guess.

MALLOY: Yes. Stalin sent them to Siberia and Central Asia so the Germans had a great interest but this was not a subject that I recall discussing with other embassies.

Q: Well, then this is probably a good place to stop. Now you left in '80—

MALLOY: 1982

Q: 1982. And where did you go?

MALLOY: I was assigned to Calgary. One of our consulates in Canada, a three year tour there as the head of the consular section.

Q: All right we'll talk about Calgary. Okay. Let's see what we've got there. I understand you--. Let's see.

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Q: All right. Okay today is the 2nd of December, 2008 with Eileen Malloy. We're now, you're off, you've left Moscow; you're going to Canada. When was the date or date, I mean, year?

MALLOY: It's 1982.

Q: And you were there from '82 to when?

MALLOY: '85.

Q: Okay. This is quite a change. Where did you, you went to where?

MALLOY: Calgary.

Q: Calgary.

MALLOY: Which was a bit of mystery to me. It wasn't my first bid. I hadn't done a lot of research on it, but it's where I ended up. My friends in Moscow started making fun of me because a classified cable that was sent to Calgary bounced back to Moscow saying they don't have classified capacities. So my friends were saying, what in the world? Where are you going? We were trying to figure out how far from the beach it was because it was "Western Canada." Well, of course it's east of the Rocky Mountains so it's a good fourteen hour drive from the beach. I mean, I had no idea where I was going to tell you the truth. But it seemed a safe place as a single parent to take a child who was then about to go into first grade.

Q: All right. Well, let's okay, let's talk about Calgary. In the first place who was in charge? Who was in charge of the post? Was it consular or consular general?

MALLOY: It was a consulate general. The reason we had a post there, well, there were two reasons. One, it's the oil and gas center of Canada. So traditionally the consul general

is an economic officer. The other reason is the number of Americans that, huge numbers of the original settlers were actually Mormons who came up from Utah. It was then the largest Mormon presence outside of the United States. There was a tremendous amount of citizenship adjudication work going on up there with people going back three and four generations and trying to establish claim to U.S. citizenship. The Canadian economy was going through a recession and people wanted to go and work down in the United States. So those were the two major reasons.

Q: Who was the consul general?

MALLOY: When I got there was Richard Wilson, economic cone officer, no longer in the service, primarily an Asian specialist, served in Indonesia and places like that.

Q: What was your job?

MALLOY: I went as the head of the consular section. There were three State Department officers plus an OMS, office of management specialist, a Department of Commerce trade officer and about ten Foreign Service nationals. So it was a smallish post.

Q: Well, you're really, our people in Ottawa are envoys to one Canada and you're sitting there along with others who are a completely different Canada, weren't you?

MALLOY: Yes.

Q: Could you describe sort of your Canada.

MALLOY: Well, the people of Alberta, our consular district also included the Northern territories and Saskatchewan at that time, felt more of a kinship with the people of the United States than they did with eastern Canada. You had virtually no French language speakers. There was huge resentment that Canada was now officially bilingual and if you wanted to work in any kind of government job you had to speak French even if there was no utility to it out there. They would talk of seceding and becoming a new state of the United States and with the cattle trade, cattle ranching in Montana and the Mormon influx and the ties with energy down to Texas they really did have much more in common. In those days the people of Alberta felt that Ottawa wasn't listening to their needs. For instance they had to pay these enormous transit costs to ship their goods to the eastern markets and yet they didn't get any of the benefits, the tax breaks and all that. Everything seemed to favor eastern Canada. So we did a lot of reporting. We were always interested in political reporting, economic reporting and trends, very little of what was then USIA (United States Information Agency) work, but occasionally we'd get a professor or an American politics expert and they'd come out and we'd program them at the local university, but our work was much more focused on economics.

Q: I was thinking on the cultural side. That part of Canada, I don't know it but from what I gather was far more in a way plugged into the American culture and everything else than the--. I mean there wasn't this resentment, thinking of Quebec and the intellectual

class and Ottawa where the people were descended from the people who bugged out of the United States, the Tories after the revolution. They, they defined being Canadian as not being American in a way.

MALLOY: They were very proud of being Canadian and very proud of being different from Americans. But they didn't much like outsiders. While they were very comfortable with Americans, what they did not like were those euphemistically called, in the famous words of Ralph Klein then the mayor of Calgary, "Eastern creeps and bums." They hated all of the maritimers from eastern Canada who had immigrated out there during the oil boom to work and brought in all these eastern influences. They were very resentful of those folks, not of Americans. It was a very unusual place to do consular work because it was so like the United States that for instance if an American who was living in Canada died it would never even occur to the family to let us know in the consulate. We had to chase people down by reading death notices in the newspapers to try to get them to come in and do the paperwork for a report of death abroad. There were no formalities; there were no difficulties. So we only got Americans who were visiting and had a crisis. But if people were living up there, occasionally they'd come in and document their child when their child was born there, but more often than not they wouldn't even bother doing that. It was a nice place for Americans.

Q: What, how did you find, I mean a lot of your population was oil, wasn't it? I mean oil people.

MALLOY: Um hmm.

Q: Were you hitting, at this point was the oil situation such that sort of the roughnecks were gone and these were more the managers or what?

MALLOY: Well, the roughnecks were all up north and they'd fly in and out of Calgary. So yes, you had management and IT people in all the skyscrapers of Calgary. Matter of fact the week before I arrived they finished filming for a Superman movie there. So if you remember the first Superman movie, all the glass fronted buildings and everything. That's Calgary. All the money and glitter is Calgary, roughnecks out in the field. But when I showed up, it was the beginning of the economic crash. That's when the oil boom ended. Pretty much for my whole three years there they were in recession, and it took a good fifteen years before the oil boom came back. You saw a lot of people leaving. And that's why I mentioned their disdain for Eastern creeps and bums. They wanted to shed all those workers from the Maritimes, because they no longer had the need for them.

But the dynamic downtown, the movers and shakers were either in the energy industry or they were the old cattlemen. You had the Petroleum Club and you had the Ranchmen's Club. The striking feature is neither of them would admit women. That was a problem because the consul always had an honorary membership. I was shut out from both clubs where all business is done. Matter of fact in my first year some Scandinavian energy minister came to town, I forget, probably Norwegian. They were hosting a large event at the petroleum club for the minister to address the leading lights. But the minister was

turned away at the door because the minister was a female. So what do you do when your guest speakers is not allowed to enter the club? Eventually the Petroleum Club started allowing female guests. Membership was something else. The Ranchmen's, the last year I was there, I was acting consul general for the better part of the year. The Premier of Alberta is based up at the capital city in Edmonton, you know, it's like Washington and New York, Calgary being the New York. He came down to Calgary and hosted an event, I don't know if it was for Christmas or something, but I was invited as the acting consul general to his reception at the Ranchman's. I showed up at the door and knocked but they would not let me in. Over the intercom I was told, "sorry you can't come in. You are a female." Can't even be there as a visitor. I said, "But I have this invitation here from the Premier." They told me to come around to the kitchen, which I did. They took me up to the back steps and snuck me into the private reception room. This was 1985. We keep coming back to being female in the service, but it's not a simple thing. To go back to Moscow—something I forgot to tell you was or maybe I did I tell you when I became a science officer?

Q: No, It doesn't ring a bell. Tell it. We can always edit it.

MALLOY: Well, it was my second year there they allowed me to go into the science section. I pressured them because I wanted a year out of consular. I arrived just as the old science counselor was leaving, and at the July 4 reception he was introducing me to scientific contacts. The way he introduced me was to say in the United States we have equal opportunity, and we're forced to have all sorts of people in the Foreign Service including women. But it's really hard to find qualified women so we just make do with what we have. Here is his new science officer. A Soviet scientist looks at me and asks, "And what do you think about that Ms. Malloy?" What am I supposed to say? Fortunately Mike Joyce arrived soon after and was a wonderful science counselor. He treated me very well and helped me out tremendously, but I was looking forward to Calgary as a new start. And my consul general, Mr. Wilson, had problems working with women. He had just gone through a wicked divorce and wasn't a very happy person. He sat me down on my first day on the job and said he was very comfortable with the vice consul and therefore he would like me to leave the vice consul in charge essentially. He'd just like me to do the visa line. I said, "Well, I'm sorry but the head of the consular section usually does the American services and immigrant visas and the vice consul does the visa line. Thank you very much. I'll take this over and I'll sort this out." But we had no end of problems. So until that whole generation of people moved through or certain people, not all of them, it was very difficult.

Q: It seems incredible in this day. Well, tell me. How stood things? You've talked about the oil and the ranchers, and these are, these are breeds apart from everyone else anyway. Just and particularly people with money and doing that sort of thing. Well, how from your optic in Calgary, how did you find sort of women's equality playing at that time in Canada, in that section of Canada?

MALLOY: Out west women, in pioneer times, putting aside Mormon families because that was a very religious element, women worked just as hard and were just as equal as

men out there, with the prairie set. But you didn't find them in political life. Among the major political figures at the city level, at the provincial level, there were very few women. For a brief period of time there a couple at the federal level in that time period, but primarily men. So there seemed to be a certain level that you could go to.

Q: Well, did you find that you could tap into a resentful female strata of--

MALLOY: No, no.

Q: Sub-political life.

MALLOY: No, not at that time, there were very few women. They were more in the social, in the arts, the museum world, teaching. Not dissimilar to the United States.

Q: What, what were you getting from Washington at this, were you seen from a far a change in, this is what '83.

MALLOY: '82 to '85. Heard virtually nothing from Washington. I mean, we were just out there doing our own thing. Totally disconnected. So to go from Moscow where I felt like I knew what was going on all over the world because everybody tells Embassy Moscow everything, to being out there in western Canada in total isolation. They actually did have classified communications, but it was so primitive. I don't know if you remember these old machines with the tapes.

Q: Well, that was a step up from the one-time pad, but it's just about it.

MALLOY: It was archaic going back to before World War Two. Just to deal with that was so time consuming because you'd have to do the codes and everything. I was the back up on that. The OMS, the secretary was primary; I was the back up. We got virtually no classified information via cables. We relied on the diplomatic pouch. The pouch would come in with sort of FAM updates, foreign affairs manual, but nothing in the way of substantive direction. I know when I was acting for that long period, I just had very little guidance. I would ask Ottawa what was of interest. I was floundering.

Q: Did you have, I guess you were bounded on Vancouver on one side, Winnipeg on the other.

MALLOY: Yes, Winnipeg was still open at that point.

Q: What sort of, did you see a unity there? I mean was there sort of a bonding as opposed to Ottawa or not?

MALLOY: Nothing. Each consulate was little discrete island at that point.

Q: The, did you have much to do with, I don't have my map here. But what was it Montana that bound--

MALLOY: Montana would be our U.S. entry point, if you got in Calgary and drove directly south, you'd end up in Montana. But there wasn't a whole lot down there. The nearest U.S. military base was in Helena. At one point the Department tried to designate that as our, because my daughter's father was in the United States we went through this child of separated parent travel allowance process, and the Department would only pay her airfare to the nearest point in the United States. So let's say, if you were in London, they would only transport the child to New York City. They decided that this little airport in Cowspells, Montana was the nearest port of entry to Calgary and that they would pay from Calgary to there. Then I would need to get her from Montana to Washington. We went through all this, tried to do all this, and finally I had to document to the Department that there wasn't even commercial air travel into this airport. It would have to be Denver. I mean there was nothing down in Montana in those days. It could be deadly to drive from Calgary the three hours to Edmonton in the middle of the winter, in snowstorms. People actually died along the highway, got stranded. My territory went all the way up to the Arctic Circle.

There was one instance in which an American couple was on dogsleds. They got caught in a blizzard and they found a food cache and broke it open to survive, and to feed the sled dogs. They were there with another dog sledder who went back and told the Mounties that they had stolen this food. The Mounties flew in with a helicopter and arrested the couple, and shot all the dogs because they couldn't fly them out. Now I have these arrested Americans up in the territories and the Department gets in touch and they want me to get there to visit them. How? Hire a dog sled. How am I supposed to get up there? It was a huge mistake for the Canadians to have arrested this couple and they ended up having to let them go. It had been a World War II food cache that had been abandoned and they actually hadn't stolen anything. We would get these kinds of cases and it would be worth your life to try to get up into that territory. It was pretty rugged in those days even though Calgary itself looked like a modern city.

Q: Tell me about this, your experiences or maybe you didn't have any but with the Mormon group, the Mormon Church and all that. Was this a power to be reckoned with?

MALLOY: Definitely. They had their own tabernacle in Alberta, I think it's called that. I'm not an expert. They were powerful political force there, in addition to being a religious force. The difficulty for us is citizenship law changed quite frequently in U.S. history, and you're governed by the law that was in effect the day you were born. It got increasingly more liberal. So let's say this gentleman comes in and say he's 55 years old and let's say he wants to document he's a U.S. citizen through his lineage going back to his U.S. citizen relatives, and he is successful. Well, his brother who is older or younger will then come in, and we'll have to tell him, no, you're not a U.S. citizen because the law in effect the day you were born is different. Or they'll come in and try to prove through a preponderance of the evidence that a parent who is long since deceased really did live in the United States long enough to pass on citizenship, and it's kind of dubious. You could tell that there were parts of the church that were actually coaching and helping them come up with evidence where maybe it wasn't real so that they could move back to Utah

and work down there. So it was challenging because when you turned somebody down, you'd start getting pressure from different places. But then the economy finally changed and people weren't as interested in moving down to the United States.

Q: Well, I know, I'm sure that the consular officers having to deal with the Mormon community in Mexico had all sorts of problems because many of the polygamist branches of the church had moved there. I assume that you didn't have that problem in Canada.

MALLOY: No. No. We didn't have—

Q: Thank God for that. As a consular officer--

MALLOY: Well, but they, in the eyes of citizenship law those children would be illegitimate, and the reality is the citizenship laws in the case of illegitimate children, if you're dealing with a U.S. citizen mother are actually more liberal than for a legitimate child. The irony is sometimes people would end up admitting they were illegitimate; they'd be really ashamed of it and we'll say "Oh yes, now you are a citizen" because it's a different section of law. The classic case is the ship jumper, if you remember that horrible case in the Cold War—

Q: Yes, Estonia or—it was a Baltic—

MALLOY: In the end the way we documented him as a U.S. citizen was it turned out he was illegitimate.

Q: As long as, there was a guy who screwed things up in the citizenship cases.

MALLOY: Well, it's just harder to prove paternity more definitively than maternity. But anyway, those were issues. The other big issue we had was dealing with the Native American Indian community because of the treaties. The American Indians don't have to observe the border in a certain sense. Both the British and the U.S. government signed treaties with these groups and they have freedom of movement. So documenting them on the rare occasion when they want to travel and they need a passport to travel internationally or there would be disputes between the Indian tribes as to who really qualified to be an Indian and to live on a reservation and receive the benefits. Some of the tribes actually had Spanish speaking members up from the southern United States. So then the question was whether this was really an undocumented Mexican or was this really a North American Indian? We would get involved in cases like that. It was a very busy consular section.

Q: But, I mean did you find yourself chafing at the bit to get yourself back to the center of the universe again?

MALLOY: Yes, I actually vowed I would never serve in a consulate again. And I stuck to that rule all the way to almost the end of my career when they offered me Sydney, Australia. I didn't like that feeling of being out on the periphery, but the nice thing about

working in the consulate is you're relieved of some of the mechanistic requirements of an embassy but the trade-off is being out in the middle of nowhere. For instance I was interested in all things Soviet. I had just come from there, and the Soviet minister of agriculture was coming through Alberta which was one of the leading agriculture producing parts of Canada, and Canada at that time was selling huge amounts of wheat to the Soviet Union. But my boss, then consul general Richard Wilson, had absolutely no interest in covering this visit. Agriculture minister from the Soviet Union, why is it important? I tried to explain to him it was one of the diciest portfolios you could have. Khrushchev at one time was the minister of agriculture. You either did really well or if you failed, you lost your head. So this clearly was an up and coming guy, but the Consul General had no interest in it, he allowed me to do whatever I wanted to do because it wasn't important. The Soviet visitor was Gorbachev who was minister of agriculture at that time. I was just frustrated because even when we had these opportunities, nobody wanted to do anything with them. So I put together something, and I remember my boss looking at it and making some editorial changes. For instance he changed the word "Soviet" to "Russian" and sent out the cable. Of course it wasn't Russia at that time it was the Soviet Union.

Q: Did you get to meet Gorbachev?

MALLOY: No, but I did go and get debriefed on his visit by the provincial authorities.

Q: Did you get any connection to our embassy at all?

MALLOY: The consular work, they did have a conference and brought all of us to Toronto for a conference once. Periodically the economic reporting officer from Ottawa would come to visit, and when I started having real problems with the Consul General, I arranged for my reviewing officer to be in Ottawa. I would have telephone conversations with the embassy because I ended up having a huge battle over my EER (Employee's Evaluation Report) with Richard Wilson.

Q: What was the issue? Can--

MALLOY: Well, couple things came to head. One of which was, I was in charge of consular work. He had asked me to take on the public diplomacy work, as it's now called. Then he asked me to take over all of the administrative work, which we now call management. He just decided he would do nothing but political and economic reporting. So he made me in charge of management, which meant I had to look at things like property and telephones. So I started doing things such as reviewing who was using telephones and whether the calls were official or personal. I asked him to check off which of his phone calls were official and which were personal. When we did the property inventory I could not find the television that had been purchased for his office. Turns out he had the television in his home. The embassy had refused to authorize the purchase of a television for his home so he ordered one for his office and then took it home. He made me responsible for these things, but then didn't want me to call him on any of these

things. He became really, really angry with me. Then it all came out in the EER. So I asked the embassy for help. I didn't know what to do. How do you fix this?

Q: Okay.

MALLOY: The personnel officer at the embassy was very helpful and gave me some good advice. She said what you do is you write in your little box what you see as the real crux of the issue. So he did his thing and wrote this really horrific EER on me. For us if you get one bad report, you're dead. Career's not going to go anywhere. I wrote in my box that I thought our problems were that he had asked me to take over management and I had challenged him on this and that, the telephone calls, the missing television and things like that. She said, "You do that and then you give the draft back to him. He will want to change the report." Boy did he want to change the report. So he rewrote his section and I rewrote mine and I ended up with a bland EER saying not much of anything and that was the end of that.

Q: Yeah, you have to be careful because that box where you can make your comment, people in the, who have done personnel work call it the suicide box.

MALLOY: We did, yes.

Q: Because if you get, it can be used very effectively, but you have to be very careful how you do or otherwise you sound like you're whining.

MALLOY: Well, now you couldn't actually do what I did because now if you write something that could be disparaging about your rater, they have to be given an opportunity to comment on your comment.

Q: Yeah.

MALLOY: That's a whole new thing. But at that time he didn't have that option. But anyway, we survived that and he left. He was only there my first year. Then I ended up with an excellent officer but who curtailed quickly because he was offered the job as DCM (deputy chief of mission) in Warsaw, and so that's the first gap. There was a lengthy, lengthy gap and a series of TDY (temporary duty) officers came in, and they were all very nice but we couldn't figure out why we had this long gap. Then I was in charge for long period of time.

It turns out the reason we had a gap was a political appointee wanted the job. You normally don't get political appointee consular generals, but this gentleman's father was a very important staffer on, I believe, the appropriations committee on the Hill. So the department had to find a place for this individual. And then when the individual got the job, he decided he wouldn't come until we procured a new consul general's residence and a new official car and a bunch of other things. He had horses so he wanted us to get an official residence way out in the acreages so he could keep his horses. I had to explain that in Calgary in winter one didn't drive out to those areas. It wouldn't be a useful

representation house. But anyway, it was another six month or so delay while we had to procure a new house and we had to move the flagpole, which had been given to the U.S. government. And he wanted all the furniture replaced so they sold the house as is with all this old antique mahogany furniture and everything. I then had to go in and get the official silver and china because the buyers thought that that came with the house. It was a huge mess. When this gentleman showed up I had another huge problem on my hands.

Q: And then you did what?

MALLOY: I had a huge problem. He just wanted to ride his horses and go to rodeos. That's it. That was, that's all he would do. I was to go along doing whatever it was that I did. It was very, very difficult. This gentleman is renowned in the Foreign Service. At one point before he arrived I had gotten a sample moon rock in the diplomatic pouch. Believe it or not the samples were harder to get than the permanent displays, and I was sent this and I was supposed to bring it up to a museum in Edmonton. They could have this as a placeholder until they got their permanent display moon rock from NASA. It went along with the Canada arm for the space shuttle and all that. So it was a really big deal. When this new man showed up, I said, "We will eventually get the permanent display through the pouch and we will need to go up and retrieve the loaner moon rock because NASA says these things are in great demand. They want it back." It's a rock set in a large piece of Lucite. It's about yay-big. Pretty cool.

Q: That's about a foot by a foot. Yeah. Cubic foot.

MALLOY: So at the end of my tour I'm about to leave. I said to this gentleman, "This thing is way overdue. I'd like to get this resolved before I leave. I feel obliged to NASA. They were kind enough to loan this to us." He said, "Don't worry; now don't worry. I've already taken care of it." Well, it turns out the permanent display rock had come in the diplomatic pouch months before. He'd gone up and dropped it off, retrieved the loaner moon rock and he kept it. It was in his house on display. As far as I know, he never gave it back to NASA, and he retired out of there and he took it. I've had such wonderful political appointee ambassadors, but I have never seen anything like this.

So once again I was in EER hell because I didn't know what I was going to get from this guy. But I was getting married right before I left Calgary. Wonderful man, we have been married for 24 years. We were in the hotel and were leaving the next morning, and an envelope was shoved under my door and that was my EER. It was horrible. Absolutely horrible. First of all it was, I mean, the grammar was terrible, misspellings, and it just, it made no sense. Again I went back and sought counsel. I had no chance to talk to him about it or anything and a very wise person said, "You just hand it in exactly as it is and you just write your response dispassionately because this EER tells the panel that you were just living with absolute hell. They can tell it from just reading it." I was very, very nervous about that, but that's what I did. That panel promoted me. I ran into a woman that had been on the panel later that I didn't know until afterwards, and she made a point in talking to me and saying, that's exactly what happened. They could tell from reading this EER that this was just a nightmare to work with. It taught me a real lesson about

gracefully managing something like that. But there, it was a very strange period in Canadian times, and we just lost that whole period he was there. Literally all he was doing was going to rodeos. So I felt that we lost a lot of opportunities in that time period.

Q: Did you, was there sort of a prairie revolt going on at the time in Canada or not? Because I can think of, like most Americans, Canadian politics is sort of over the horizon and ignored. In fact Canadians, I assume you were hit by the or maybe the prairie Canadians didn't give a damn. It was the Ottawa Canadians that said, you don't respect us and that sort of thing.

MALLOY: Well, the current prime minister of Canada is a product of that because there was indeed parties. At the time I was in Calgary there were two major political parties, the Liberals and the Conservatives. The Liberals were associated with eastern establishment, and of course you had the Quebecois. Western Canada was primarily Conservative. But the Conservatives couldn't seem to get power in Ottawa so there was great frustration out west. The reform parties came out of western Canada, and eventually that's where Steven Harper came from. He wasn't originally a Conservative. They had a tremendous impact on Canadian politics, but did it matter to Washington? No. Not at all. We had a very myopic view. The irony is that very brief period when Joe Clark was running Ottawa, a very conservative government for a short period of time, was the time period when our hostages, our escapees in Tehran became guests of the Canadian government and they smuggled them out. I personally feel you never, never would've gotten that from a Liberal government. We were just supremely lucky that the Conservatives just happened to have the seat in power. Right now we're very, very lucky that they've been so supportive in Afghanistan and keeping their troops there, even though it's very divisive within Canada. You wouldn't get that from a Liberal government. So at a couple moments in time we've been very lucky with the relationships. But we as a government cannot pay a lot of attention to politics in Canada. What we pay attention to is economics.

Q: Well, then you left there when?

MALLOY: Summer of '85, July of '85.

Q: You were newly married.

MALLOY: Yes. I took one of those tests, stress tests, stress for changing jobs, stress for changing bosses, for getting married, for moving. The test indicated that I was certifiably dead from stress at that point because everything in my life was changing. I had a new husband; I had a new job in a new town and to make things lovely, the State Department requires you to drive from Canadian and Mexican posts. So we had to drive from Western Canada to Washington, D.C. So my honeymoon was driving, driving across Minnesota on a summer night, literally. We could not even see for the bugs all over our car. It's not all very pleasant. I was assigned to Washington to the executive office of the bureau of consular affairs. I was to be the analyst for all of Latin and South America. I had a completely new job to learn. I had to find housing, my husband was going to

university and my daughter went to live with her father for the first time. So that was another big change.

Q: Where was he located?

MALLOY: In Washington, DC. He lived in Arlington.

Q: What was the background of your new husband?

MALLOY: He was born of two Latvian parents who were displaced people from World War Two, and they settled in Boston. He was born a few months after they arrived. So his mother says she smuggled him in. Quite poor, even though she came from a very, very wealthy family back in Latvia. Of course, as with many displaced people, they ended up with not much of anything. We were married for roughly five years.

Q: But your new husband, this is a, this is your new husband?

MALLOY: Married in my second husband in '85.

Q: Okay. You were in consular affairs from when to when?

MALLOY: '85 to '87. My primary job was supposed to be making sure that all of our huge consular operations in Mexico and South America were properly staffed and had the resources that they needed. It ended up being much more than that. Ron Summerville—I don't know if you know Ron Summerville--.

Q: I know Ron very well. I worked kind of with him, and we've done an oral history together. He's considered in my mind one of the great bureaucratic operators in Washington.

MALLOY: He taught me tremendous things. During the time I was there, there were two major projects that I ended up with. There was a collateral responsibility that came along with this job of being the liaison with the parts of the State Department that built and secured buildings overseas: then FBO, now OBO (overseas building operations), and diplomatic security. They were just starting the process of fortifying embassies so they were going in to what used to be open consular sections and putting in ballistic resistant windows, and they were doing such a wonderful job that you couldn't hear through them. The consular officers couldn't interview. You had people bending down trying to talk through the little document pass. So Ron decided that CA really needed to have a functional consular expert become part of this process, back in the design stage rather than waiting to do expensive retrofittings. Simultaneously we needed to look at installing state of the art retrofits in those consular sections that had already been fortified.

So this ended up being my job. It was fascinating because I spent a lot of time over at FBO reviewing designs, but then they actually started sending me out with the teams in the very beginning when they did retrofits to make sure that they incorporated fixes to

things that had become problems as we moved into these new consular sections. For instance FBO did not build restrooms for the public in the waiting rooms of the consular sections. Every time an American citizen with a child needed a restroom, you'd have to open the door on the hard line and bring them inside, which just defeated the whole point. So restrooms, acoustic sound systems, flow through traffic. I learned a lot about construction and security requirements and helped designed a number of projects.

Then Ron Summerville had the opportunity to get a huge amount of money to improve consular operations in Mexico. He sent me to Mexico with instructions to do something completely different. To look at breaking all the china and pulling all the immigrant visas together in one place rather than every post issuing these time intensive visas. What if we had these mass operations along the border, how would we do it, what would we need? I got to go around and look at sites and talk to vendors and basically design what turned out to be these huge consolidated structures, right down to the furniture designed for different teams to use as hot seats and swivel computers. It was great fun. I really enjoyed doing all of that. I kept going to Ron for guidance, and he just said "look, just use your best judgment." I finally learned the way he operated was you come up with a list of assumptions that explained what you based it on. But then you dreamed something up and you costed out and you go up the Hill and say okay, this is how I want to deal with this huge problem and these are the resources that I'll need. At the same time this was an opportunity not just a challenge. So I've done that through my whole career.

Q: Well, there's another theme I'd like to pursue a bit. We've talked a lot about the female side in American life and American bureaucracy. Let's go to my field, and that's consular business. How, I mean you've been a consular officer but often this little isolated place of Calgary. When you came back how did you feel consular officers, consular operations were viewed in the State Department were dealt with from your particular perspective?

MALLOY: Well, remember I started in London, which at that time was one of the largest mills in the world, visa mills, and then Moscow where consular officers had access to Soviet society more perhaps than anybody else in the embassy and were highly respected. So I didn't really buy into that, "oh consular officers are a lower breed of life, children of a lesser god" kind of deal. It seemed to me that it was incumbent on consular officers to prove their worth and to show their value. The people I was working with in CA/EX (executive office of the bureau of consular affairs) were the cream of the crop. I mean they were all handpicked and they were committed and they were very, very good. We were right at the point of change when the consular profession began to be respected more. I think that had a lot to do with automation. Because you remember consular was automated before anything else in the State Department and the consular package far predated these mission strategic plans and all that. They really were the first ones to document trends and do analysis and we started to attract people with IT backgrounds.

Q: IT being--

MALLOY: Information technology. So I guess I wasn't really bothered by that because I could see a good future being a consular officer.

Q: Yeah, I belonged to an older generation. But I remember actually in the late '70s in Korea where they started zero-based budgeting in the Carter administration, and I would sit in the meeting and I'd say well, we've figured out how much money it costs to run the consular section and how much money we have taken in, visa things. We made a profit. What about the political section? How much, are you running a profit or a loss? Ron Summerville deserves a lot of the credit for doing this, bringing it together and also I think Barbara Watson, as assistant secretary for consular affairs, was the first one to really bring management and the importance of consular things to the attention of people higher up.

MALLOY: Yes, Ron Summerville had excellent contacts up on the Hill and really used them to get results in terms of making sure congressmen and senators were aware of the work being done overseas. Otherwise all they would read about are the horror stories, the anomalous situations. To this day whenever you see a consular officer portrayed in a movie it usually is sniveling spineless toady kind of thing, drives me crazy. So I give Ron a lot of credit for changing that image. You always had a core of excellent officers in the consular cone. It's just that it was also like London, considered a dumping ground. If somebody wasn't performing, they'd let them gravitate over there.

Q: Well, it was also used as a way to take care of taking I think the employment problems – of making spouses consular officers who were not particularly qualified, one way or the other. Was this a--?

MALLOY: Well, are you talking about the associates?

Q: I guess so.

MALLOY: Well, there was a period of time when both consular work and diplomatic security work exploded. They recognized that they couldn't possibly bring in enough people and get them up to speed and trained. And they also had a problem of retention in the Foreign Service when there weren't job opportunities for spouses. So that came together with that program where spouses were trained and allowed to perform parts of consular work, professional associates I think they were called. Since September 11th has pretty much gone by the wayside because a lot of the new restrictions required consular officers to do the fingerprinting for the biometrics for the interviewing. Professional associates can't do that any longer. So that left virtually nothing for them to do. But at the time, yes, that was helpful. Consular officers felt that that was undermining their reputation, undermining their professionalism. It was a tough, tough time.

Q: What, how did you find the Mexican's consular situation? Sort of the biggest countrywide operation, consular-wide in the world.

MALLOY: It was by volume. One of the first things that happened when I arrived in Washington was the huge earthquake in Mexico City. That required my work to be much more focused on American citizen assistance in the beginning and then rebuilding after the earthquake. Consular operations in Mexico were more stymied by the physical set up than a shortage of officers. It didn't have in those days the terrific fraud problems that you had in a Seoul, Korea where they were so far out ahead of us in terms of what they could think up. The fraud in Mexico was more manageable, if I could say that. If the officers did what they should be doing in terms of monitoring it, they could keep a lid on it. So it was just a big messy operation with lots of volume.

Q: How about the whole Latin American situation, consular-wise. Did you find it fairly well staffed or were their major problems in areas?

MALLOY: There were certain countries where the growth was exponential and we hadn't kept up with it. There is certain bureaucratic inertia. Once a post has a number of staff, they don't want to give positions up even if they don't really need them anymore. The other problem I ran into was ambassadors stealing consular officers as staff assistants or other things. This is the first time that we were applying statistics in the consular package. I did some research and came up with a hypothetical year. It was 1750 hours, what a normal person would work minus vacation, sick and transit time. So I would take the number of hours they put into actual consular work and divide it by 1750 and it would tell me roughly how many bodies were working. Then you'd look at their staffing, and sometimes there was a two or three people difference. Then you'd start finding where this position was. They'd been siphoned off. We would try to get them back. If the ambassador wouldn't give it back, then we would say okay, well, we're desperate for positions in Jamaica so we're cutting two of your consular positions. That was the only way we could get them to give back the positions that they'd siphoned off. I think that was very common in Latin and South America.

Q: Who was the assistant secretary of consular affairs during this time?

MALLOY: Joan Clark was assistant secretary at this time.

Q: Well, she, of course is very management focus, which was I'm sure helpful.

MALLOY: Yes, and the nice part was CA (consular affairs) controlled those positions. So it wasn't like a political officer where you had to go through the central personnel system. We could move them around. Ron being a good diplomat didn't want to be too tough. We also used those statistics to try and ferret out why some posts were tremendously underachieving. It was a really good tool just for identifying anomalous situations. It was great up on the Hill. CA was the only part of the State Department that could document statistically where the money was going, what was needed.

Q: Well, you did this for—

MALLOY: Two years.

Q: Did you, how did you feel sort of career wise. Were you developing a managerial consular portfolio or how about your political?

MALLOY: At this point I was consular officer and committed to being consular and all I wanted to do was consular work in Russian speaking countries. So I bid on a job in Moscow that I really, really wanted in the consular section. In those days the consular chief in Moscow was a fairly low grade because of the restrictions imposed by the Soviets on travel out of the USSR. You didn't have the large volume of visa applicants that they had after the Soviet Union broke up. The job had been filled occasionally by a political officer. They had trouble recruiting so I really wanted to go back and run the consular section. I was within a stretch of the grade, I believe.

So I bid on that hardship position, I had the Russian language, I had the requisite experience, thought I'd be the ideal candidate. Turned out there was a gentleman who hadn't done consular work in eight years and didn't have as much Russian, but the bureau had their heart set, EUR (Bureau of European and Canadian Affairs) had their heart set on sending this man out to fill that job. So lo and behold one of the most highly sought after positions in the world, consular section chief in Dublin, a job I had listed on my bid list as a filler never expecting to have a shot at it, becomes mine. I was assigned in the very first panel of the year because EUR wanted me off the lists so that they could put this other gentleman into this job. I got this great prize, and all I wanted was to go back to Moscow. So I wasn't too happy. But anyway, he ended up not getting this job in Moscow, but I ended up going to Dublin. This is right when the Congress was passing what became known as the lottery program, euphemistically known as Visas for the Irish. They, the people on the hill who wrote this bill, thought that they were clever enough that they'd written it so that only the Irish would qualify for it. Boy, were they wrong.

Q: Okay. Well, let's see. We're talking about Dublin from when to when?

MALLOY: I was in Dublin, it was a two year tour that could be extended, I take that back. I'm sorry. It was a three year tour, could be extended for four. So I was looking for a nice long time in Dublin. I ended up being there 10 months.

Q: I have a man work with me in Saigon was sent, who had a drinking problem. He was Irish, and where did they send him? To Dublin. I thought oh my God. But anyway, let's talk about Dublin and the embassy and all and then we'll go back to the law. But when, who was the ambassador and how did you find things in Dublin?

MALLOY: The ambassador is still alive, political appointee ambassador, first time I worked for a woman, Margaret Heckler. She had been Secretary of Health and Human Services, and I guess she had gone through a nasty divorce, and Mrs. Reagan seemed to have problems with a divorcee being in the cabinet. I really don't know what the story was. But she was sent off to be ambassador to Ireland as she was of Irish descent.

Q: Boston wasn't she or Philadelphia. I can't remember—one or the other.

MALLOY: I don't recall. I actually had been through Dublin doing my job in CA/EX and dealing with their physical plant problems. They had this tiny, tiny, little consular section and the building was a circular building, very small and no way to fortify it. The consular section eventually had to move out to a different building. So I had met her before I was assigned to her post. I knew her by sight. But she didn't know me.

She's an unusual lady, and she had some real good points and some difficult points. But she had very strong views on how the consular section would be run, and I was the head of the consular section. So she and I would communicate. She was very sensitive to visas being backlogged or people being refused because if we refused somebody a visa, they would walk out our door to the payphone on the street and call Senator Kennedy's office. And Senator Kennedy's office would call the ambassador's office, and within 25 minutes I would be called up to the ambassador's office to explain why this constituent, Irish citizen, of Senator Kennedy's had been declined a visa. We were in a constant battle over that.

Then the plight of the undocumented Irish. Have you heard of this plight of the undocumented? Traditionally over the years Irish citizens would get visitor visas and go to Boston or New York and stay and work, but I come from an Irish family. They tend to be very, very close and the plight of the Irish, the undocumented, meaning illegal, wasn't their living and working conditions in the United States. Their plight was they couldn't go home and visit family and return to their undocumented status. We would get all these heartbreaking, "You're keeping me from my mother's funeral." "You're keeping me from my sister's wedding." "I'm not keeping you from anything. Matter of fact we'd be thrilled if you went to the wedding." "But will you give me a visa to go back to Boston?" "No. You've been living there and working illegally for ten years." There was intense pressure and this is what primed the lottery program. It was seen as a way to regularize the status of a lot of these people. My job when I was sent out by Ron Somerville was to take an operation that was issuing about 500 immigrant visas a year and within ten months gear it up to issue 5000. That was the estimate. Now keep in mind we were not automated. No computers. All paper forms. This is a massive undertaking. To do that you have to go from personalized service tea and crumpets handholding to moving them in, moving them out. This was not something that the ambassador liked. These were her people, her constituents, so there was huge potential for conflict. Most of my job was managing the front office and their expectations. She stipulated certain things that I could not live with. That's why I ended up leaving. I curtailed after ten months because either I would have to have a massive battle with her and you'd always lose. Even if you win, you'd always lose. So my way was to accept a hardship assignment and leave the post. One of her stipulations was we were forbidden to refuse anybody under 212(a)(19). The old "having acquired a visa through fraud" section of the immigration act.

Q: That's against the law to not do that.

MALLOY: Right, but it was her position that the lottery visa program was written so that these people could come back and regularize their status. So even if they'd gotten the

original visa by fraud, that there was no legal basis to deny them a visa was her view. She said there will not be any "19s." The other dispute was over the panel doctor. This is also when we started introducing AIDS testing, the blood tests. The sole panel doctor had no lab facilities, and it was taking forever to get our medicals done. We had to find a new doctor who had offices in a building with lab facilities so it would be one stop for the visa applicants. Plus the existing doctor couldn't do 5,000 examinations a year so we needed multiple doctors to handle the volume. The existing doctor was an old friend of the embassy. This appointment was quite lucrative for him. The ambassador said there will not be any more panel doctors. You couldn't possibly do this. So I came up with all different options. I said, "We'll have five doctors and we'll list them alphabetically" but because of the spelling of his name he wouldn't be first and that was not acceptable. So I said, "We'll have five doctors and we'll have five different packets for visa applicants and each randomly will have a different doctor at the top of the list." Couldn't do that either. I couldn't do my job with integrity and stay there. So I curtailed and took a job in Moscow, which was where I wanted to be anyway.

Q: Well, let's still talk about—what happened with this law that was designed to let the Irish in?

MALLOY: Our immigration pattern over the years had been developed in a way that the traditional countries of origin were no longer able to send a lot of people. The reason for that is they didn't have the first circle relatives needed to qualify for immigrant visas. So the Germans, the English, the Irish, the French, all these people, Italians, where traditionally we had all these hordes of people, they had a desire to immigrate, but they didn't have a first circle relative, that is a U.S. citizen parent, brother or sister. So other countries such as Mexico, Korea and the Philippines that had this vibrant tradition of immigration just exponentially kept growing and growing. These new source countries were taking up all the visa numbers. In theory the intent of this bill was to allocate 20,000 a year, I think it was, visas that would be drawn by lottery, and only countries that were not using their full quota numbers could qualify. Well, when they wrote this what they were hoping was this would sop up 5,000 a year out of Boston and New York of the Irish, and there really wouldn't be much interest in Germany or whatever. But it wasn't written that way, and so any country, that hadn't been using its full quota, for example Kyrgyzstan where I was eventually ambassador, qualified. African countries, all through South Asia. Also we had this huge administrative nightmare of hundreds and hundreds of thousands of people mailing in lottery applications and all sorts of fraud and people standing at post offices in the United States because it had to be postmarked within a certain time period. It was a nightmare. Yes, we did end up getting a lot of Irish, but no where near as many as the drafters of the legislation had anticipated. This program supposed to be only a couple of years but it ran for over a decade.

Q: Well, of course at that time the Irish were bleeding people as they had been since 1848 or so.

MALLOY: The economy was really poor. The only bright spot on the economic horizon was Bailey's Irish Crème, which was producing export money. Interestingly enough

though when I was there, I was amazed at the number of Irish in graduate and post-graduate study and I remember asking the government officials about that. If you don't have the jobs for these people, why are you investing in their education because this was all government subsidized, upper education. He said, "Better that they stay in school for another seven or eight years and then go off to Europe and work, than they be agitated on the streets." In other words it was a way of sopping up talent and keeping people going and building for the future. So subsequently when Ireland did have its tech boom, these are the people that came back and they had the skills and experience and the degree. So it actually was quite intelligent.

Q: I remember just about this time, I had been retired. My wife and I, I was just getting involved with computers and so I was very interested in computers. This is in the very primitive days when you practically had to wind up your computer. But walking the streets of Dublin and looking for computer stores or something, they were still relatively rare here, but there was nothing there. I mean it was—

MALLOY: Well, nobody had the money to buy them.

Q: Yeah.

MALLOY: I remember at our embassy in Moscow when we had our one Wang for the whole building. One Wang computer. This old monster that couldn't do much of anything probably had less power than my digi-screen.

Q: Your cell phone.

MALLOY: Yes. It was poor. People were poor.

Q: How did you deal, we've had problems with our ambassadors in Dublin because it's such a sought after spot for people who come out of, the Irish politician in the United States. Margaret Heckler was a congressman and I met her in Saigon in late '60s when she came on a trip. But we had Jacqueline Kennedy's sister, what's her name Smith—

MALLOY: Jean Kennedy Smith.

Q: Too cozy in with the Irish Republican Army I think. We had a blow up there. But how did, you had Margaret Heckler asking you to essentially flout the law. Because you are essentially a law enforcer as a consular officer. You have duties that the ambassador cannot technically force you to do anything, but how did this work out as far as for you and sorting and with the State Department?

MALLOY: I would have telephone conversations with CA/EX, but I learned a long time ago that you don't put things in writing. So I would talk to them, get advice, how do I deal with this? I had a very cordial relationship with her. I'd try to explain why I had to do what I had to do, and then at the end I'd say, "Well, if you instruct me in writing I can follow your instructions. But on my own I cannot do this," and she would never put it in

writing. So we would have an uncomfortable silence and then we'd be frozen, but we didn't argue or anything. She actually wanted to help me and help my career and she knew what my interests were. That made it easy when I volunteered for the arms control job in Moscow. She felt she was helping me by letting me go. We never had an "in your face" confrontation. I'd had enough of that back in Calgary. I had learned a little bit. But she wasn't tormenting my people. There have been other ambassadors there that have been really rough on the people. I would've had to have been more confrontational had that been happening. But she was lonely, she was there on her own in this huge old house, and I don't think she quite knew what to do with herself.

Q: Well, it can be very, very lonely there. I think it's particularly hard on women, single women or divorced women as ambassadors. Because a man could kind of go out, same position, a man can kind of go out to the bars and all and look for company, but if you're the American female ambassador, you can't very well hang around the bars or at least maybe now you can, I don't know. But it certainly wasn't in the cards in those days.

MALLOY: The fact that she was divorced which was a real no-no in Irish society in those days. I mean it was shocking because my husband and I when we were there, we had only been married two some years when we got there. I was quite taken aback when someone commented to me that I had a mixed marriage because my husband is Scottish Protestant and I'm Irish and Catholic. In those days over there it was just unheard of for a mixed marriage. We had never thought of it in those terms. I remember commenting to one woman who had six children that she had a huge family. She looked at me and said, "Oh no, actually I have a quite small family. A huge family is 10 or more." It was very different context, and I recognized early on that I may have come from Irish Catholic stock, but I was American. My whole attitude towards work, for instance I used to joke my Irish staff would show up, and the first thing would be tea and breakfast downstairs. Then there'd be a lengthy mid-morning break and then there'd be lengthy lunch, then there'd be lengthy tea in the afternoon, and then this was the only embassy I'd ever been at in my whole career where the bar in the embassy opened 30 minutes before the close of business. Now who is sitting at the bar before the end of the work day? So I was very American and very focused on getting things done, getting the product out. At that time Ireland was still slow and easy.

Q: Okay, how about the political situation? What was your, in the first place, I can't remember I'm sure we've discussed this but how Irish is your family?

MALLOY: Oh very. Oh very. To this day one of the things we coach friends when they come home to my father's house is never ever raise the topic of Ireland because my father will go off on that.

Q: Well, how did the Irish, Northern Ireland and all that sort of thing impact on, from your observation what were you seeing about this and how much was this a topic of conversation or—

MALLOY: It was huge. We were right in the midst of the PIRA. What a lot of Americans didn't--

Q: PIRA is Provisional Irish Republican.

MALLOY: Provisional Irish Republican Army, the Provos.

Q: These were the nasties, weren't they?

MALLOY: The IRA at this point in time was not yet recognized as a legitimate political party as it is now. The IRA was considered a paramilitary, illicit paramilitary. The Provos were even further off to that. What Americans who would chip in money at the bars in Boston for the widows and the children didn't recognize at that time was the money was funding terrorist activities.

Q: These were basically Marxists weren't they or at least of that ilk?

MALLOY: Their goal single mindedly was to get the British out of Northern Ireland and reunify the island. But the political dynamic when I was in Dublin at that time, I approached it with all of my naïve notions having been brought up in an Irish Catholic family in the United States so it was a real eye opener. One myth was that all Irish wanted to be reunited. That's not the case. A lot of Dublin society felt that what had evolved up north in Northern Ireland was the welfare state, and the last thing they wanted was responsibility for that mess. People who for generations had been on the dole, hadn't worked and were violent. There was great discomfort at the thought of trying to merge those two societies. Similar to Western Germany and Eastern Germany only much more extreme. The other myth is that the IRA would prey only on the British. When I was there, there were shocking cases where the IRA, probably Provos, was kidnapping Irish Catholic citizens of Ireland for money. The worst case was a well-known dentist when I was there, where they held this man hostage and started lopping off his fingers and mailing them back to the family. Of course a dentist without all his fingers is not very good. Preying on their own people for money. So that was an eye-opener. Politically in Ireland at that time, that's the first time I ran into what I called the dirty little secret. And every country I've served in they have their own version of the dirty little secret. And over there it was the fact that not all Irish really thought it would be such a good deal to have the island unified, that they could see the trauma. I went up to Belfast a couple of times and just driving across that border was just as unnerving as the first time I landed in the Soviet Union. It was scary. It isn't anymore.

Q: At that time at least you had to go through sandbag things and they went under your car. I mean, that was scary. I did that too. It was scary.

MALLOY: Sub machine guns. Yes. It was scary. Tourism was really suffering in Northern Ireland, which is one of the most beautiful places you can possibly go, the Antrim coast. There was this myth in the United States about how violent it was. When I was a UK desk officer, they said, "There are ten people a year killed in all of Northern

Ireland, murdered. How many people are murdered every day in Washington, DC? We don't have a travel advisory out against you all." It was so disproportionate. I set up exchanges so some of the young consular officers up in Belfast could come down and spend two weeks working in Dublin and I'd send my guys up to Belfast to get a little experience. We tried to get some things going across the border.

Q: Did you find in Irish society, I mean how, I realize you weren't there a long time, but how did you fit in and the Irish question rise up when you got together with the Irish and all?

MALLOY: I didn't, my plan was to spend the first year working like a dog and then to enjoy the fruits of my success for the next three. So by the time I realized this was a train wreck and I curtailed, I was still in that massive "get this place up and running" stage. Really didn't do anything other than work to my great regret. Aside from official interactions with the people at DFAT, Department of Foreign Affairs and Trade barely even got to know my neighbors. Matter of fact I had a great crash and burn with one of my neighbors. The woman next door said, "Oh I must have you for coffee sometime." So what does that mean to you? Come over and have a cup of coffee. So I went over to have a cup of coffee on the designated day in my casual attire, and she meant, I must have a formal coffee for you to meet the ladies of the neighborhood.

Q: Oh God.

MALLOY: They were decked out in their best clothes. I'm the guest of honor. Plus I can only be there twenty minutes; I had to leave for Wales. We totally misunderstood each other. I was mortified. So I didn't get to know the neighbors really well. I can't say that I had any great insight other than from the Foreign Service nationals working in the consular section.

Q: Did you get any feel for the sway of the Catholic Church at that particular time?

MALLOY: It was much more powerful than in the United States at that time, but already society was getting to be much more accepting of the need to progress on things like divorce.

Q: Okay, then you went off to, we're talking about eighty, 1980—

MALLOY: 1988. I arrived in summer of '87 and early spring of '88, I fly back to Washington for a couple weeks mandatory orientation program, area studies on Soviet Union, leaving behind my husband who had enrolled in Trinity University to finish his year and join me in Moscow. Part of our logic in taking this job in Moscow was it would get me back to what I was interested in. It was opening up the first ever arms control implementation office that was set up to run the INF treaty, Intermediate Nuclear Forces treaty. My daughter was living with her father. And so I thought, since my whole first tour in Moscow I had been a single parent, hadn't had time to do anything, this would be so much easier because we wouldn't have any children and I could be totally focused on

my job. I was going totally into another huge logistical challenge of setting up this office, which would be a joint Defense of Department and Department entity. I left my husband in Dublin to complete his academic year at Trinity. I had my two weeks in Washington before departing for Moscow and found out right before I left Washington that I was pregnant. So surprise, a pleasant surprise, but surprise.

Q: Not quite according to plan.

MALLOY: Right. When I arrived in Moscow to take on this huge challenge, bearing in mind that Soviets are not very good about dealing with women, Soviet military even less comfortable dealing with women, I turned out to be a pregnant female. They just did not know what to do with me at all.

Q: Well, also you I assume you had Department of Defense, which was not that amenable to women in power positions either.

MALLOY: No, but one thing on my side is that everybody cycles in and out of Moscow, and virtually all of the defense attachés had been there on my first tour. One of them was the head of the agency, the On Site Inspection Agency, General Roland Lajoie. Many of the team inspectors that flew in on the INF inspections had been attaches in Moscow so I knew them. That was both a plus and minus because they knew me at a much more junior grade, and people tend to remember you forever at the grade you were when they first meet you. They don't recognize evolution. It was difficult. We had a lot of ins and outs, and it was actually a tussle over whether the State Department person or the DOD person would be the head of this unit. The way it was ultimately decided, because we were both at an equivalent grade, was whoever earned more money would be the chief of section. Of course, the Pentagon thought that was completely unfair because military officers make less than Foreign Service officers, but the ambassador came up with this plan. He wanted control, and he felt he'd have more control through the State Department person. So I was there for two years doing that, it was very eventful.

Q: Can we keep going?

MALLOY: Sure. We—

Q: I was wondering, you'd better, let's talk a bit about what the whole business is about first, I mean the background.

MALLOY: This is the first treaty ever to reduce nuclear weapons. It didn't eliminate the nuclear material. It just took the weapons out of active service and destroyed the delivery vehicles. These were intermediate range missiles.

Q: Were these the SS20s?

MALLOY: Yes, not the Pershing, the intercontinental and not the tactical battlefield, but the ones that you conceivably could shoot from a place in the Soviet Union and hit

Eastern Europe or from Slovak republic and hit western Europe. Intermediate range missiles.

Q: Well this, there is this tremendous sort of the last battle of the Cold War was over the missile business, the SS20s and the, I guess the Pershings and the—

MALLOY: Well, putting them in Europe yes, that was a huge, huge battle. It was really a tremendous achievement negotiating this treaty. The Russians have a very different philosophical approach to treaties. We tend to feel, we Americans, that whatever is not prescribed or prohibited in the treaty we can do. They feel that you can only do what is explicitly detailed as allowable in a treaty. So my prime job was to work with the Ministry of Foreign Affairs and to work with the military, the Soviet Nuclear Military Center to smooth out all of these disputes to make sure that the American teams who would land at the portal entries to conduct surprise inspections were able to reach their sites. If you remember President Reagan's famous phrase "trust but verify," "*doverie, no proverjae"* in Russian. In order to get political support in the United States, there had to be a vigorous inspection angle to the treaty. We couldn't just trust the Soviets when they said that they had eliminated these missiles. We had to have American teams go in and visit sites to make sure that they weren't there, that they weren't deployed. The teams had to be able to land either in Moscow or the portal that was in Siberia announce where they wanted to go anywhere in the Soviet Union, and reach that location within a certain number of hours. So it was very complex. We were the ones who translated, met them at the airport, made sure that the U.S. military plane was serviced, just got the whole thing going, and then whenever there was as dispute, we would conduct negotiations with the Ministry of Foreign Affairs. But it was all virgin terrain. Nobody had ever done this before so we were making it up as we were going along.

Q: To understand there was a reverse, they were doing the same thing here in the United States.

MALLOY: Correct. They had an access point on the West Coast and they had an access point on the East Coast, and then each side, we had a continuous monitoring site at a missile factory in the Soviet Union nearby Votkinsk, and they had a continuous monitoring site at a U.S. missile site in Utah. They had people living continually and observing what went in and came out of the factories. But it was exceedingly complex because neither side wanted to give away their technological secrets to the other. So for instance you couldn't open a truck and look at the missile. You had to come up with technologies that would allow you to measure what was in the truck just enough to eliminate it that it could be a prohibited missile. We had to come up with all sorts of new cargo scanning devices. A lot of the things that are being used now in antiterrorism work came about from this research. Essentially when something came out of this factory in Votkinsk, it would go through this monitoring site, and our inspectors could measure the exterior and could do some remote sensing. They could see that that object that was in there was too small to possibly be one of these missiles or too large. But they couldn't actually see it, touch it or measure it.

We are still arguing over the bills because the Soviets developed a cargo scan specifically for us, and we weren't happy with it. They modified it and modified it and modified it. I don't think we ever paid them for it. We're still fighting over the bill and there were reverse costs. Once our teams landed in the Soviet Union, they absorbed all the costs of transporting them internally, housing them and feeding them. And we did the same when the Soviet teams went to the United States. Well, right off the bat the Soviets said to us, "We don't want any women. We don't have facilities for women at any of our sites. We have no females out there." The U.S. government, to give it credit, held really, really firm to the principle that we, our society was fully mixed. We couldn't prohibit women if they wanted to be on these inspection teams. So when we did send teams out to these places, they were always very, very proud to show us that they had constructed the second outhouse because that's what you're talking about. They had these brand new little pine outhouses for the ladies. But they never believed that those women were actually performing an inspection function. They would, they thought oh well, they're really there to cook for the inspectors. But it was all new to them.

Q: Well, I would think that you're talking about your stay, and we have our relations with the Department of Defense, which are sometimes strained, but I would think the Soviet foreign ministry and the Soviet defense ministry, I mean, did they even talk to each other?

MALLOY: No, I mean they, the Soviet nuclear rocket forces folks regarded the Ministry of Foreign Affairs folks with more disdain than Americans. It was actually quite interesting to see these American military officers interact with these Soviet nuclear rocket force officers. They had studied each other for years. They knew each other's psychology, mentality. They actually knew each other personally through their research though they had never met. It was really exciting for them to actually get together and talk to each other. You have to bear in mind that General Lajoie at that time, his previous tour had been in East Germany, and it was one of his men who was shot dead by the Soviets, if you remember that case.

Q: Yes. Sends officers on these—

MALLOY: Nicholson.

Q: Inspection, I mean following working.

MALLOY: Yes, so you'd think there'd be grounds for a lot of animosity, but they were very professional. I think we were all caught up in the sense that we were actually doing something positive and reducing threats, reducing the number of weapons pointing at each other. It was just a very novel circumstance. It was also time of change in the Soviet Union.

Q: This is Gorbachev by this time.

MALLOY: This is Gorbachev. There are a lot of things going on, and there were several people at the Ministry of Foreign Affairs about my age and in different jobs. In my first

tour in Moscow it was very difficult to deal with the Ministry of Foreign Affairs. Basically they wouldn't even talk to you or they would be very brusque or rude. There was a whole different attitude on my second tour. We were actually trying to work together cooperatively to make this process work. While none of us could reveal state secrets, we could reach out to each other more than in my previous experience over there. It was an interesting change for me. I still keep in touch with some of these people who are now doing all different things.

Q: Well, how did you find the Ministry of Foreign Affairs and the Ministry of Defense people at your, at your level and sort of I mean all of you were planning. How did you all work, how did they work first?

MALLOY: I didn't see any interaction at all between their Ministry of Foreign Affairs and their military folks. They really knew very little so it became clear that, for instance if there was a dispute or a problem at this remote monitoring site in Votkinsk for me to go to the Ministry of Foreign Affairs and file a diplomatic note or ask questions was really a waste of time. They knew nothing about it, and they couldn't get any information from the military industrial complex which ran all that. So we learned that we needed to have a second channel to the military, and our point of entry was the Soviet nuclear forces. They had a 24 hour watch center downtown. We took to demarching them in effect, of holding meetings there to get things worked out.

The Ministry of Foreign Affairs though would play a role on treaty interpretation or something to do with flight clearances or things like that. So we had to have a variable geometry about where we went to get different things done. In that time the Soviets were very uncomfortable with us. I think they thought we had all these mystical powers and all this technology so that if we even walked into a building, we would be able to suck the secrets out of them. They wanted to physically restrict us. So the first time we visited they just let us see a conference room. Then when they began to trust us, they gave us a tour of their watch center. In this period of time the Soviet diplomats in Washington had freedom to walk anywhere in the State Department that they wanted. We just didn't think in those terms. In Moscow we were physically corralled and restricted.

Q: In one of my earlier interviews I was talking to somebody who was dealing with arms, early nuclear negotiations with the Soviet Union. And he said that at one point he was saying well, we know you have facilities here, here and here and started naming off all of these places, and we figured you have so many missiles here and there and all. At the break the Soviet general came up and said, "Look you're my civilians aren't cleared in this sort of thing that you're saying. Watch what you say."

MALLOY: Yes, it was really that they compartmentalized much more than we did. That was an eye opener to me. They also weren't used to dealing with foreigners. You could tell. They were always looking 20 years down the road. That's why I'm so interested in what's going on right now because they could see this liberalization and blossoming coming, but they knew some day it was going to swing back so they were always watching their back about being a little too cozy with us Americans.

Q: Now is this, did you find with the foreign office of the Ministry of Foreign Affairs was there a new Soviet coming along the way more? Well, a different, basically a different outlook, a different creature than had been when you'd been there before.

MALLOY: Very much. Not only there but also at the think tanks, their equivalent of a think tank. And you started to see in the media op ed pieces that were just pushing the envelope. One of them was written by the brother of one of my main contacts at the Ministry of Foreign Affairs. I mentioned that I had read it and he said, "Yes, I'm really envious of my brother that he can say that." Because his brother who worked in a think tank had that distance from official policy and he could express what they were all thinking. There was this whole group of 30 year olds who were really quite different. They had had more exposure to the international world. A lot of the old time diplomats at the Ministry of Foreign Affairs were just there to say no. They didn't really know what was going on. But these guys were much more educated, much more refined and spoke remarkably good English. Most of them were second generation, one this guy called Schmatov, I remember had this American English. Your typical Soviet learned British English, but he had this very polished accent, had American vernacular right off the streets of New York. It turned out these were all second-generation diplomats, and their parents had been based at the UN in New York. They learned English in the United States. Their fluency was so much better than our Russian that they would want to have all the meetings in English. So they were always improving, and we were going backwards.

Q: So how did you find, I interviewed Jane …

MALLOY: Jane Miller Floyd.

Q: Floyd. Jane Floyd.

MALLOY: Jane Floyd.

Q: How did you, she was at one of these—

MALLOY: She worked for me, and she ran the INF portal at Ulan Ude, Siberia. Jane was married to a Navy Seabee who we were able to bring onboard to fill a DoD slot at the portal, and they had two small children, subsequently three. They were all alone out in Siberia. It was really wild keeping them going. They lived in an old Soviet guesthouse where they had three or four rooms. When we went to visit on official business, we'd stay in the other rooms. Essentially we took this guesthouse over. Eventually the U.S. government shipped in a refrigerator, washer and dryer, and a freezer and set them all up there with a car. They integrated themselves completely in local life out there and her Russian was just spectacular. She—

Q: She was at the National Defense University when I interviewed her at least she was there.

MALLOY: She had been a tour guide, one of the old USIA tour guides in the Soviet Union, part of a group of really excellent linguists. So her experience in Ulan Ude was quite different from what the rest of experienced in Moscow.

Q: And I want to put for somebody reading this they can refer to her interview in the Library of Congress website.

MALLOY: Yes, there wasn't any way the Soviets could isolate the Floyd family in Ulan Ude because they didn't have a diplomatic community where as existed in Moscow where they were very adept at isolating us from the local people. They kept us all together, housed us together and controlled our every move. The Floyds were the only diplomats out there in Ulan Ude and they became part of the local scene.

Q: I understand that the Russians who were at the Soviet/Russians were at the sites in the States. Their kids went to the local schools.

MALLOY: Yes. Like I said, those kids ended up using the English language and coming into government service or probably now in business. A lot of the new Russian diplomats that I was working with when the Soviet Union broke up went off into the banking system, and very few of them were still in the foreign ministry because there was no money in government.

Q: Did you was where stood sort of the computer revolution both in the United States and in Russia at this time?

MALLOY: Well, computers in Russia were mainly big old dinosaurs used for scientific computing. There were severe restrictions imposed by the U.S. government on the sale of computers to the Soviet Union. So you wouldn't find them, but they had a homegrown industry. The Soviets/Russians are tremendous mathematicians, physicists and they were developing—

Q: This comes in the genetics.

MALLOY: And great at programming things. So they would cobble together computers, but you would find them only in institutes and universities, the average Soviet citizen would not have a computer either in his office or—

Q: Well, we weren't too far along were we or not?

MALLOY: We had desktop computers in the embassy, but there were severe restrictions on processing classified information. I don't even want to get into how we did things. But I saw my first Apple computer at this time period. The nice thing about being supported by the Department of Defense as opposed to the State Department was that Defense had tons of money. So I didn't have to rely on the embassy motor pool. General Lajoie let us buy Volvos. For some reasons DoD was not bound by the Buy America Act. We didn't

have to ship in Chevys that wouldn't work in the cold Russian winter. Instead I could buy winter equipped Volvos from Finland. Also our computers were procured through DOD. My administrative DoD administrative specialist was an Apple Mac person. So she ordered Apples because at this point State Department didn't begin to think about standardizing computer equipment. We were much better off in this unit than the rest of the embassy.

Q: How did you fit into the embassy? Were you Calgary there in this job or not?

MALLOY: No, actually those who worked the Soviet Union and the Russian crew, it was a relatively tight knit group of people. So when I was back on my second tour in Moscow, there were lots of other people on their second tour of duty in the USSR, and we were all still friends and colleagues. So for me it was a very easy fit. That the irony as I explained previously on my first tour I was responsible for the care and feeding of the Pentecostalists and the great hoo-ha about how abysmally they were treated and kept in this dungeon room. That dungeon room became my office when I went back on my second tour. So all of us were working out of what had been the apartment for the Pentecostalists. There's no air conditioning in this building, and Moscow is like New York City in the summer, really hot. The room next to me was the huge communal laundry, 24 hours a day. So you can imagine the heat and the dust. We were half a level below the streets. If you opened the window, all the grit and dust would blow in. If you closed it you'd die of heat stress.

The problem with these computers was that it was too hot to run them. We didn't get choice space, but that's because we were new. It wasn't because embassy management did not like us, space was at a real premium. I remember one of the political officers who not too long ago was the NSC (National Security Council) senior director for Russian affairs, his office had been a men's room. They simply took out the plumbing. We were just incredibly crowded in the old chancery. People hanging from the ceiling. So nobody really argued about space. I had great resources from military to the point that the State Department people were envious. As far as policy they made me part of the country team. I went to the senior staff meetings. I could see the ambassador whenever I needed to. I kept him fully briefed. I didn't have any problem. Now had the OSIA Department of Defense person been the head of section, I think it would've been much more difficult to integrate. And probably they would not have allowed us to be as involved in policy as we were. And indeed, subsequently after I left I was replaced by a State person. Then after that a DoD officer took the section over and the operation became a purely mechanistic meet and greet at the airport, and all of the policy was removed. I actually think it worked quite well while we were there.

Q: I'm looking at the time. It's probably a good place to stop. But we might pick this up the next time about any of the issues that took place during this period of time because I'm sure there were cases and problems that they were having. Then also how successful was this and what were you observing about the Soviet Union in transition because it was really going through, what you're picking up from the country team and all this whole change of the world.

MALLOY: And security too. This is the Pan Am 103, which started out as a threat from Finland through Moscow, which we should talk about. Remind me.

Q: Good, all right, very good.

Today is the 18th, 18th of December 2008 with Eileen Malloy. Eileen, let's, we heard the last time. Let's talk about you mentioned policy in your dealings with the embassy on the country team and all. Where did policy come?

MALLOY: The INF (intermediate range nuclear forces) treaty was actually the first example of a cooperative effort to start destroying nuclear missiles. As I mentioned before, we were destroying the delivery systems, not the actual nuclear material. That was removed and stockpiled. But we were destroying the launchers and the rockets and all of that. Because this was the first time it had ever happened, even though the treaty itself was exceedingly detailed, there were lots of gray areas. That is why we ended up working the policy realm because Washington had certain notions of how this was to be carried out and what the ultimate goals were. Of course, the then Soviets, now Russians, had their own set of goals and they were not always consistent with ours. So we would end up demarching the Soviet Ministry of Foreign Affairs. We would end up dealing with the Soviet nuclear rocket forces headquarters and various other parts of the Soviet government to try and move them in the direction that Washington wanted. That is very typical, normal diplomatic work. But we also had a very hefty share of mechanistic program implementation.

At that time political officers had virtually no field experience with that type of program implementation. Now they are very heavily involved in it. But at the time we were trying to figure out all of this. So if, for example, Washington interpreted the treaty to mean they had a certain right to do something, they had a right to see the dimensions of a container coming out of the factory that was being monitored because it produced missiles among other things, missiles that were covered under the treaty. If the Soviets were not willing to give us sufficient access, we would end up engaged in that at a policy level in Moscow.

The difficulty was that Washington is a 24-hour operation. There is an operation center at the State Department that operates 24 hours a day, 7 days a week, 365 days a year. Same thing at the Department of Defense. We, however, in Moscow had a very small office. There was only one tie line (dedicated telephone line) between OSIA, the On-site Inspection Agency headquarters, which was out by Dulles Airport, and the embassy. It was supposedly for the use of our operations, and it was funded by DoD. But in reality the embassy would tap into it whenever we were not on it. Quite often it would be difficult for us to reach OSIA. Plus they were not always very sensitive to the time difference between Washington and Moscow. Once when they wanted us to go démarche the Russians and it was midnight Moscow time, I was woken up at home and told that I had to go down and démarche the Ministry of Foreign Affairs on this particular issue – that night.

Q: When you say démarche, for someone reading this, what do you mean?

MALLOY: Basically that means you go in and you present an official message from one government to another, and it can be done orally or it can be done leaving a non-paper, which is a written note to remind them, but something that does not have the standing of an official diplomatic note.

Q: No letterhead or anything like this, piece of paper.

MALLOY: A piece of paper.

Q: It's a memo.

MALLOY: Especially when you are dealing in foreign language, you would leave your note in English because you want to be precise in your native language. You might, if you felt comfortable, also give them a translation into their own language, but that is risky because you can misspeak. So I had instructions to go in and impress upon them the critical time sensitive need for them to agree to a specific access issue immediately at midnight. I tried to explain to them there is no 24 hour center at the Soviet Ministry of Foreign Affairs. It was closed; there was no one there. I was instructed however to go anyway and surely there was someone there that could accept this note. So I did. Got myself dressed; drove myself to the door; pounded on the Ministry in the darkness for the longest time. No one came; nobody came; finally this woman came to the door absolutely terrified because I made her accept the envelope with the nonpaper, and I gave oral message to her as instructed. Of course, she was the cleaning lady mopping the grand foyer of the Ministry of Foreign Affairs but she was literally the only human being in the building at the time. So I dutifully delivered the message and went back home and called Washington. So sometimes it was a farce, and sometimes we actually were able to bring about changes.

Q: Well, I mean, also it's the usual Washington centric view of something. Somebody makes a decision and all that and somebody has to bring them down to reality.

MALLOY: Well, the difficulty is if you put your mind back to this time period, we are now in 1988, '89, this was the first time we reduced arms cooperatively, in a very coordinated fashion, with a long-time Cold War enemy. Many, many people in Washington did not trust the Soviet government to comply, and they felt that we were weakening our own military. So they wanted to be very, very orthodox in how we approached this. They did not want to accept anything on faith. So we needed to deal with that political aspect in the United States and then dissent existed in the Soviet Union as well. There were many who did not support this treaty who felt it should not be done. The irony is that the actual military officers, both the Americans and the Soviets, working on this seemed to support it perhaps more than anybody else. And that was one of the great and interesting surprises to me. They were committed to it, very much.

Q: Well, you must have run into the problem of breaking the rice bowl of the people in the Soviet Union, on your side, the people on the Soviet Union who design rockets. I mean, what are you doing about beautiful machine type of things. We're talking about scientists or engineers.

MALLOY: At this point in time we had absolutely no contact with that community. That would be the closed nuclear cities. That is a group that I did interact with a good bit in a subsequent tour of duty at Department of Energy. But at this time period the analogy about the Soviet Union being like an onion and you peel it back bit by bit, that was very much the case. We were able to, within Moscow, meet in the Soviet nuclear rocket forces building and their equivalent op center, I guess you'd call it, the same as our OSIA op center. But that's as far in as we could get. The only time we would come in contact with those folks, the people who designed and built these weapons, would be at a ceremonial event in the field. For example Carey Cavanaugh who was the political-military officer at Embassy Moscow at this time period and I traveled in the spring of 1990 out to what is now Kazakhstan to Saryozek to be witnesses at the destruction of the last group of a certain class of missiles covered under this treaty. There were many, many Soviets there and I'm sure that included representatives of the design, production team.

Q: These are ones with tears in their eyes.

MALLOY: Yes. But we were not introduced to them nor were we told who they were. There was, at that time, and still this day, a lot of concern about whether this thaw or opening would be permanent or would the doors close again.

Q: We watched this in the last few years. Things have been closing up.

MALLOY: Absolutely and now we can see why the Soviets were reticent about being more open about what they were doing. The other side was this was just one class of missiles being destroyed and the big, big money in those days were the intercontinental missiles, and there was still plenty of work on those. So it wasn't like these people were going out of business. The Saryozek destruction ceremony was interesting. Because I was a diplomatic representative I was allowed to bring a camera where our inspection teams were never allowed to have cameras. The only photos OSIA had of their activities on the ground in the USSR were those taken by their Soviet escorts. So they were actually quite happy because I could take pictures of the OSIA/U.S. inspectors doing their work.

Before these missiles are destroyed they are laid out for display; they are measured and our inspectors verified that yes indeed, these were items subject to the treaty. Then there was a complex system where everybody obviously would have to move away before these things were blown up. But they had to be kept under visual observation by an American so that the nefarious Soviets could not sneak in and take them away while we were moving to a safe distance and substitute dummies. So U.S. inspectors on a far away hill watched them the whole time the rest of the official party moved up to a safe distance.

I was able to take pictures of all these different things. I took pictures of the actual detonation, this huge explosion because the rocket fuel, once it goes up it's quite spectacular. And then the big cloud of debris as all the chemicals and debris rained down over the fields. It took place on a steppe in what is now Kazakhstan. We were a bit disconcerted to find out that where these missiles were destroyed was actually pastureland and that after we left it would go back to being pastureland. Keeping in mind that all the materials are hazardous for human consumption and the fact that this is pastureland and it gets into the food chain, I was not terrifically impressed with the way this was being done. For the U.S. side we ended up shipping all these treaty-controlled items out to the Johnson Atoll where they were destroyed in the middle of the Pacific. Quite a different method. The Soviets chose to simply blow them up. There was no radioactive material per se but just the components of the rocket fuel and the metals used in the missiles.

Q: Well, did you have, were there problems that you got involved with the way they destroyed things and the way we destroyed things and arguments about this or that or--?

MALLOY: Well only, our concern was that we have a credible way of verifying that they had indeed destroyed all material covered by the treaty and or put it up for static display. The treaty allowed for a certain number of missiles to be put in--for instance we have one in the Smithsonian, the Air and Space Museum. They have one here and there in museums. So we were concerned that we accounted for it. We were concerned that they were rendered unusable. Whether it was battered into small pieces or blown up, it did not matter to us. We did not get into the environmental impact of how they chose to do that. But there certainly were tremendous debates over whether they had indeed produced all their material just as they debated whether we had produced all our material. Both sides started with an initial voluntary listing of their holdings and we worked from there. We could fall back on national security, technical means, look for anomalies. But these were all mobile items. So it's not like a fixed silo. These are things on trucks that could be moved around. There was always a certain amount of uncertainty about whether everybody had done the needful on both sides. That is where the debates would be.

Q: Were there any, in this in which you were involved with either you personally or people on your team, any sort of stories that came out of this, problems or amusing things?

MALLOY: Tons of things. There, the flights in and out would come into two sites. I think we've talked a little bit about this before. Moscow was one, and then the Siberian town of Ulan Ude, which is just above the Mongolian border, was the eastern portal. Flights would come in from Yokota Air Force base in Japan and land there. The logic was that you had to be able to reach whatever site we wanted to inspect within a certain number of hours and due to the expansive distances of the USSR it could not be done if you just used Moscow as a port of entry. Running and maintaining that site in Ulan Ude was a huge challenge.

We mentioned that Jane Miller Floyd, her husband and two, eventually three children, ran that site. They were Swiss family Robinson out there in the middle of nowhere and had a great time. But when they had their third child we brought them back to Moscow because we did not feel comfortable having an infant out in a place where we did not have control over the medical situation. That meant all of us Moscow-based officers had to cycle out to Ulan Ude and cover that place. That was a huge challenge because it would take us more than 24 hours to reach it. Each time we travelled the Soviets would know that the United States was about to declare a surprise, unannounced inspection. To get around that we would travel on a regular but random basis. Some times we would meet inspection teams and other times there would be no pending inspection. It was a bit difficult to maintain that schedule. One time I went out with my whole family.

I had my second child during this time period. I mentioned previously that when I started this tour I was pregnant with my second child. When the baby was six months old my husband, my baby, my American au pair, and I flew from Moscow to Siberia to visit Ulan Ude. That is how we discovered how infants fly on Soviet airplanes in those days. My husband is six foot six. I am six foot tall. So we are quite large. These planes were tiny and cramped. They did not have seats for children. They do not accept that a child would take a seat and passengers are expected to hold your child in your lap. This was a twelve-hour flight overnight. So we asked what they normally did with infants. They brought us an "infant chair" which turned out to be a little fabric basket-like thing that was tied to the luggage compartment over your head, and the child just hung there and swung the whole way. We thought this was terrifically unsafe, but we put her in there after the stewardess looked at us kind of cross-eyed when we asked about the safety features and she said well, "if the plane crashes we all die." So that was really encouraging. That is why they do not worry about seatbelts or other safety features. We took our youngest daughter to Siberia for her six month adventure, and I went out and did my work and on my day off we went to visit the only Buddhist lamasery in all of the Soviet Union. We went out there and visited and really enjoyed the place.

When I had to go back to Ulan Ude a second time to meet an unannounced inspection, Captain Sandy Schmidt went with me. And the two of us, because the Floyd family had now left, were responsible for all the diplomatic escort duties, which involved getting up an hour before we had to go to the airport to thaw out the Jeep, which was frozen solid because it was minus 30 degrees in the garage. And then Sandy had to do all these complex things to get this Soviet Jeep running. I never learned to drive a stick shift but fortunately she had. We got ourselves out to the airport and planned to get the team off to their inspection site, hand them over to their Soviet handlers, and be done with work for two days until the team returned to Ulan Ude, or so we thought. The Air Force plane came trembling in over the horizon, this enormous, C-130 the big transport plane. It was so cold and the runway was in such bad condition that when it landed it broke a strut. So we got the inspection team sent off, and we started to figure out what to do with the plane. And as fast as we can try and get it repaired, the plane starts to freeze. There were no hangars. It was totally out in the open, in Siberia, in the winter (January). Every system on the plane that had any type of fluid started to freeze and break. So the air crew realized, the only thing they could do is open every system, just drain everything before it

could freeze and rupture. We had to order another plane out of Yokota and it took two days to get it there with a repair crew. Sandy and I both speak Russian, but my foreign service language instruction did not include aeronautic engineering terms. We spent two days standing outside, unprotected on the tarmac in Siberia trying to help with the air crew negotiate with the airport authorities. I ended up with frostbite across my cheeks. There are some great pictures of us desperately trying to keep warm in all this. We actually got to be pretty good buddies with the airport people through all of this.

The thing that I was most pleased with was the U.S. crew of the plane. Of course, there was nothing much for them to do. They did not have the equipment they needed to repair their plane. They are trapped in Siberia unexpectedly for two days without so much as a change of clothes. We made arrangements for them to get hotel rooms, to be fed but after that they were bored and wanted to go for a walk. They had not planned even to get off the plane. So they did not have winter gear or parkas to walk around. They were wearing these high altitude suits developed by the Air Force. Basically you plug into their boots a hot air tube that blows them up like the Michelin man, not quite that much. But it is that hot air that keeps you warm. But it's quite an odd sight. We were walking around town with this gaggle of men who resembled ETs in these big suits and we were all--. There was a winter ice festival going on with seemed like the whole town out building ice castles and sliding down these enormous runs of ice on rugs and stuff. The flight crew got into it and they started playing with the local people. They had a great time. I think that little interaction did more for Soviet-American relations than anything else because they actually got to talk to people. People could see that the U.S. military men were not monsters.

It was a really hard two days, but it was interesting. The replacement plane arrived and fixed the original plane. The replacement plane took off, went back to Yokota, and right at that moment the inspection team returned having finished their INF inspection. They were oblivious to the fact that this plane had been trapped there the whole time. They boarded the plane and the first thing they do is complain about the fact that the meals they ordered for the return flight were not there. Of course, they did not understand that the plane had been there on the ground in Ulan Ude the whole time. Then the challenge was to get the plane off the ground because it now had two days of ice and snow on it. There is no de-icing capacity in Ulan-Ude. They brought out a truck and a man with a hand pump and a garden hose who tried to spray away the build-up of ice but it was so slow that by the time he got one wing done the previous one was frozen again. The pilot decided to do the de-icing the old-fashioned way. Because the Soviets had to bring in English speaking air traffic controllers when they knew a flight was coming, and this plane was making an "un-scheduled" departure, there was no English-speaking air traffic controller in the Ulan Ude air tower. So the U.S. pilot could not communicate what he planned to do to the tower. He just said to us, "Tell them I'm leaving." He taxied out to the end of the runway, gunned his engines, and while still completely covered with ice and snow, roared all the way to the end of the runway and hit his brakes so that everything on the wings would fly off and clear himself of ice and snow. Well, of course, the Soviets then thought he had crashed and started emergency equipment roaring out to the end of the runway. At the same time the U.S. pilot just turned his plane around, now

going totally in the wrong direction and took off that way. They got off headed to the USAF in Yokota and I'm left with a mob of angry Soviet airport people fired up about what this pilot has done. It took Sandy and I quite a while to calm everyone down and smooth things over.

What it showed me was how abysmally ill-equipped the Soviet infrastructure was in those days -- that you could have a major regional airport in Siberia with no de-icing capacity and no hangars. We realized from that how badly broken the system was. For me it was the beginning of seeing behind that façade of the super adversary to what was really there. We then finally were going to get to go home three days late to Moscow so Sandy and I packed up, went to the airport more than ready to board an Aeroflot flight back to Moscow. We were so relieved to be going home. We got on the plane, went roaring down the runway and right as we were about to lift off, one of the tires exploded. The pilot managed to save the plane but we were this close to crashing and burning there. We were rather shaken up by that. We were left with no accommodations, no flights until the next day, totally stranded. Everybody else on the plane just went into the terminal, lay down on the floor to go to sleep. But we, being evil foreign diplomats, they did not want to leave us running loose for the night so they told us we must go back into town. There were no taxies or anything. So Sandy and I wandered around out front of the terminal building. We always were under Soviet escort, but they were not about to drive us anywhere. The official vehicle we had parked in the garage back in town so it could freeze up for another two months. So the only way we could find to get back into town was that we came across one of these great big "Chaika" limos that had delivered a wedding party to the airport and was making a dead head run back into town. I do not know if you have ever seen these things. They are decorated and they have a little baby doll tied to the front. The driver said he would take us into town but we did not notice until we were in the car that he was dead drunk. So here we were roaring back into town, rolling around in the back of this Chaika driven by this guy who is going all over the road. I mean, to survive a near plane crash, we thought we would not make it into town. But we did. He did not even want to be paid. At that point Sandy and I thought nothing could get us now. The little ladies at the hotel where we had our operations agreed to let us go back into our room even though we did not have official Soviet reservations. The next morning we got up, went back to the airport, got on a plane and finally got home to Moscow. But it was one of those Foreign Service adventures where you never know what is going to happen, and like I said it really brought home to me what we were actually dealing with in the USSR, but also the U.S. bureaucracy, because at that time we were not thinking of helping the Soviets in any way. We just wanted them to destroy their treaty-controlled items. We were not yet at the point where we found ourselves after the breakup of the Soviet Union where we saw that their instability was actually a danger to our national security. However, I had the bright idea while I was trapped out there in Ulan Ude that instead of us making, the treaty called for each side to pay for services. For instance when our plane came in, we had a payment that we would make to Moscow for the airport services that we were provided. But that would not actually get to the people running the airport at Ulan Ude. They told me they never saw any of that money. So they had to provide the support, but they did not have enough funding to sustain the services. I suggested to them that rather than paying a cash amount, why not have the U.S.

government send them a used de-icing truck from some airport in the United States. They thought that would be absolutely wonderful. When I got back and recounted this conversation, the Washington policy group slapped me on the hand. I had no authorization to make any such offer, to have any such discussion with the Soviets. We were not here to help them. To me it was the most logical thing. It would have made our operation safer. It was the only way we would know that the money we were paying them for services was actually getting to them. But there was still this reflexive, "we're not helping the bad guys" kind of thing. I think in hindsight people realized now that had we started on a more cooperative relationship back then, it might have been easier to mount some of the national security programs that we did after the breakup of the Soviet Union. Yes, there are a million stories. I do not know if I told you previously about the permanent portal site that we had Votkinsk in Udmurtia.

Q: I'm not sure. Why don't you say. We can always excise it.

MALLOY: Each side to the INF Treaty got to select a factory that produced treaty specific missiles. We had one in Utah and the Soviets had a permanent portal monitoring at its gates. They had a group of people who actually lived on the property of the factory and we had American inspectors who lived on the property of a missile factory in Votkinsk. They would have the right to inspect everything that went in and out of the factory gates to determine if it could conceivably contain a missile covered under the treaty. We set up a building, it was a dormitory-style building for our U.S. monitors, and they had a perimeter path that they would walk to make sure there was no back door. They also had a group who would inspect all the trucks going in and out to make sure, using X-ray technology, that there were no missiles hidden in the crates. We had mixed teams. I mean our inspectors from day one included women. The Soviets could not understand that so they came to us at an official level in Moscow and kept asking what was the role of these women down in Votkinsk. Were they there to do the laundry for the men or were they there to amuse the men? They could not accept that these women were inspectors just as much as the men were. So that gave rise to all sorts of stories and confusion.

Q: You could just tell them they were comfort woman.

MALLOY: That is what they thought. I mean they honestly thought that was their role.

Q: Well, tell me I mean here you are, more and more we're adding women to our foreign policy and military teams. I mean now it's not even a deal. But I mean, this is relatively early in the thing and coming against the Soviet Union, did you find that all and all you and others, was it hard for the Soviets to understand? I mean did they feel awkward about it or how did you--

MALLOY: They were. There were virtually no counterparts. While there were women, they were secretaries. There were clerks. They were interpreters. Almost all of their interpreters would be women. So they had very specific roles. But they were not policy roles. That is where they were confused. In 1990 I went with Dr. Barbara Seiders and a

group of Americans as the first inspection team ever to visit a chemical weapons storage depot in the Soviet Union. Again, the INF treaty was only the first of what was to be a number of different treaties, obviously START and others, and they were applying this cooperative inspection regime. So my office was to support all of these treaties. Therefore we supported these chemical weapons storage site inspections. I was very excited to be there, but again we ran into this confusion as to what the women were doing on this group. And it was just Barbara Seiders and I; so we were housed together. It was an overnight thing and that was fine. The next morning we went to the chemical weapons site, which was truly a horrifying site, but before we even got in there, you had to go through, they obviously wanted to make sure that we were not taking things away that we should not take away. They also wanted to protect us from contamination. So the men had to go in the men's side and the women plus the interpreters went with us into the other side. You had to disrobe. You had to shower, and then you had to put on clothing that they provided, a protective suit. As soon as we got in there and we were going through this process, the women started saying, "oh well, we don't really want to do this. Just let the men do this and we'll just sit in the sauna. They'll come back and they'll get us." Barbara and I immediately declined. It was clear that they were really trying to discourage us from going out. So we put on these outfits -- they had asked for our measurements beforehand. So one would have thought they would fit. Well mine was so big, at least three people could have gotten into it. There was no tie or anything so I literally had to hold my trousers up the whole time, and then with this big rubber suit kind of thing you had to waddle outside and then go over to a tent, put on a gas mask. The idea was that there could be leakers so you had to be protected, but Soviet technology being as imperfect as it was, we had to put on the gas mask and then put your head inside a tented enclosure filled with tear gas so they could see if your gas mask was actually working. Pure coincidence, but I had three nonfunctional masks in a row. No one else had this problem. So I had to put it on, put my head in and get tear gassed, come out, take it off, put another one on, put my head in, get tear-gassed. Three times. They really just did not want us. So they did not believe that we were professionals, and they did not want us in there.

At the end we got through this whole thing. We were supposed to be there until the evening, and it is now mid day, and again we had to disrobe after we completed the inspection and go through the reverse and shower. These women said they wanted to go into the sauna and wanted to go in the dipping pool and they were hanging around in the dressing room. Barbara and I looked at each other and said, no thanks. We just got dressed and went straight out. The men were already boarded on the busses and the busses were leaving. They were leaving us behind. They were getting on airplanes and they were flying back to Moscow. We were going to be stranded there because supposedly we were hanging out in the pool. It was a very bizarre thing. They just--

Q: They had, had women penetrated the Soviet military. I mean they, one had seen these pictures of women traffic cops in Berlin at the fall of the Nazi Germany and all that and talking about women snipers and all.

MALLOY: Well, they were in the military but only in lower ranking jobs. In the West we thought that because doctors were predominantly women in the Soviet women that they had cracked this code somehow. But when you got over there, and you found that a doctor earned less than the little lady who sits in the museum and makes sure that you do not touch the pictures, and that the level of training was really more like an EMT (emergency medical technician) than a doctor, but surgeons were all men. It was very, very different. So if it was considered a professional job, it was filled by a man. So yes, there were women. They would be drivers or cooks. They would be secretaries but not anybody that you would deal with on policy.

Q: It must've been, it must've given them difficulty to deal with you, didn't it?

MALLOY: They were very polite. It was my first, years later in Kyrgyzstan I was told I was an honorary man because of my job. Well, this was actually the first time I had run into that situation. But they were very, very nice about it, and once they got to know me personally I think they became more comfortable. But we were a good six or seven months before we were even allowed to step foot inside the nuclear rocket forces center for the first time. In the very beginning they would say we had to talk to the Ministry of Foreign Affairs. Finally we were going for our first daylong session and General Lajoie had flown in. He was the head of the On-Site Inspection Agency and a former defense attaché in Moscow, spoke Russian, knew them all very well. So we were going to have a full day of meetings at the nuclear rocket forces building. I was the only female going. At this point I was seven months pregnant. One of my coworkers, a military officer, announced to me as we walked out the door en route to these meetings, "You know of course there are no ladies rooms in these buildings because there are no women," with a big smile. So that was okay. I was going to do it. So I went. I did not have anything to drink all morning. I just sat there. They finally broke up right before lunch, and they announced that it was time for a smoking break and men's room break so I just sat there at the negotiating table as everybody left the room. Some poor little man was designated to come to me and he said, "You know madam, we have a seat for you too." His English was not very good. But he took me into the back, and of course they had a ladies' room. It was locked and I was the only one who used it, but they did have a designated ladies room. But they just did not know what to do with us. Both military sides got along great guns, but when the diplomats got involved, we were not too welcome. But the Soviet general joked that at least I was not a lawyer. That would have been the worst of all, in his opinion.

Q: Yeah, it is interesting to see the conjunction of two societies how the military really get along very well basically. Well, professional to professional.

MALLOY: And scientist to scientist. I found that when I was at DOE (Department of Energy). Our national laboratory scientists felt a great connection with the Russian scientists.

Q: I would think that you would've been very nervous about going to the chemical warfare place because I think about that anthrax business that apparently happened. That was some years before. But some anthrax had gotten out, hadn't it?

MALLOY: In Sverdlovsk, yes and the name of the city is different now. As a matter of fact we have a consulate in that town - Yekaterinburg. Yes, we were nervous, and after we saw the actual weapons and the condition of the weapons and the way they were stored, I was even more nervous. The disposal of outdated chemical weapons was something that I would work on later in my career. There were World War I and World War II weapons that had hit the end of their natural life, and nobody really knew how to deal with them. They were turning up all over Europe. They still wash up onto shores, things that had been dumped or lost at sea.

Q: They're still going, trying to disarm the stuff in France from World War I.

MALLOY: Mustard—

Q: Including poison gas. It's a scary business.

MALLOY: Well, in the United States. even though we had very, very strong environmental concerns, we did destroy ours. Then we were trying to help the Soviets develop a facility to destroy theirs. Matter of fact we are still trying to help them develop a disposal facility for chemical weapons. At that time with *Perestroika* you were just beginning to see the emergence of nongovernmental organizations in the Soviet Union and those movements that made it more difficult for them to simply set up a destruction site and get it done. That was one of the unfortunate aspects of the breakup of the Soviet Union. It was just a little too late. When they decided to get rid of this stuff, they could not get a community to accept the fact that it would be in their locale. It's the old NIMBY (Not In My Back Yard) problem. To this day as far as I know their chemical weapons still have not been destroyed. The weapons were in such bad shape that they were inherently unstable. So yes, visiting that chemical weapons storage facility was not a pleasant moment. Professionally it was very exciting, but to see that stuff was very sobering I have to admit.

Q: I mean did you and your military, American military colleagues come away with a different view of the Soviet military effectiveness and all that?

MALLOY: I can not say that it was all that different. I always had a different view. I mean, I tend to look at people and the impact on people, and I could see that the Soviet people were pretty miserable and living a very spartan life. The Soviet machine when it wanted to apply itself to a specific problem could do anything. It could develop a technology. It was absolutely brilliant. What it could not do was then replicate that on a mass scale. It could not produce it. So you could have the best heart surgery in the world, but at the local hospital people would be dying for the lack of basic instruments. That is what I saw. To me there was the hollowing out of the economy and the whole system was falling apart. So I guess I did not have the same impression as my military colleagues.

Yes, the Soviets had enough intercontinental ballistic missiles to knock out the United States a hundred times over. Yes, I knew that. But would they be the powerhouse of the future who could challenge us? No, I never felt they could. So there were two different sides of power. I looked at demography, as I mentioned earlier, on my first tour there at the embassy. To me I was appalled at the demographic time bomb they were facing.

Q: Which is becoming more and more apparent.

MALLOY: Yes, now the life expectancy for a man in Russia is under 60 years. They have terrible, terrible diseases. HIV and a strain of TB that is highly resistant to the medication coming together, all sorts of illnesses related to alcoholism, poor diet, smoking, and then the environmental impact of the Cold War years is just astounding in different parts of the former Soviet Union. Kazakhstan, as I mentioned earlier, has suffered terrible environmental damage. This has all contributed to a demographic nightmare.

Q: During this time, we're talking about this tour. This is what '87?

MALLOY: '88 to '90.

Q: Did you get much of a feel for the nationality schisms in the country or not? Or was this not in your line of sight?

MALLOY: At this time if you think back to the Minister of Foreign Affairs, Shevardnadze was a Georgian. You had Rosa Otunbayeva who was a Kyrgyz, was a protégé of Shevardnadze. At the Moscow elite level you did not see much of a problem with nationalities. You did not see very many people who were Uzbek or the swarthy types from the Caucuses. They were the traders on the street. But there, I did not discern any discrimination against people because they were from one of the national republics. Russians ran the show though. Even when you traveled out to the republics, the number one would always be the nationality of that republic. But number two, the real power, was always a Russian. So it was just accepted. It was not an open battle. None of the animosity that you saw break out in the Caucuses was overt at that time. There was very widely practiced discrimination against people who were Jewish, and if you were an openly practicing Christian, you could not get anywhere in the Communist party or rise to the upper ranks of management. Evangelicals were considered anathema by the Soviets. So we would not normally encounter them in our work.

Q: Well, then is there anything else we should talk about during this particular time?

MALLOY: Well, the other thing is the security. The embassy was as open as it could be in those days. It was trying to protect sensitive U.S. government information but still have its doors open so that those Soviets who wanted to make contact with us, could. So you have these conflicting imperatives, but this was before the days of security fences.

Q: This is before Sergeant Lonetree.

MALLOY: Yes, well, no, no. I take that back. Lonetree was at the embassy in the middle of my two tours. Protecting U.S. information, this is post-Lonetree. So there were very tight controls on the interactions the Marines could have with local citizens, basically non-fraternization. You were not supposed to be dating Soviets at this time. But we were still very much trying to influence Soviet citizens. We had an active public diplomacy campaign and wanted to interact with people. But it was also the beginning of some of the serious concerns about terrorism. So you had a physically wide-open embassy and lots of concerns about security.

Right before, Christmas was coming up. So it must have been early December, I forget the exact date in 1988, we got an indication that there was a threat, supposedly on a U.S. carrier on a flight originating out of Finland and going on to Germany. Well, we were required for official travel to use a U.S. carrier, and at that time there was only one U.S. carrier, which was Pan American. We discussed this at country team. Country team was chaired that day by the person who was actually the head of the consular section. He was acting DCM (deputy chief of mission) as both the ambassador and the DCM were away. It was unusual to have the senior consular officer in charge of country team, however, this officer was a highly respected senior officer. We debated what to do with this security threat notification. As you know threats are surfacing constantly, and you never know how seriously to take them. This one could not be verified.

The question was whether we should share this threat within the embassy further, and if so, did we share it as well with non-official Americans in Moscow. We had quite a lively debate in there, and at the end of the day, the acting DCM stuck his neck out and said, "I think we need to tell the other Americans in the community," the journalists and the business community. So we made a decision to post notice of this unverified threat on the bulletin boards in the communal areas where people, like the journalists and the businessmen, would see it. We also told people in the embassy. A number of people changed their flight plans. I myself elected not to bring my older daughter over for Christmas, which was kind of heartbreaking for me, but I just did not want to take the chance. It made me nervous. The flight that blew up did not come down from Helsinki. But it was in such close proximity and so similar to the threat, that when Pan Am 103 blew up, the journalists in Moscow remembered the notices on the board. They checked back and found a number of Embassy Moscow people who had changed their reservations so that they would not have connected in Germany with Pan Am flight 103. And that blew open this whole thing. The media questioned whether the U.S. government had inside knowledge and that led to a discussion in Washington that eventually yielded up the no double standard. Meaning, that if you are going to share information with the official community, you must share it with the unofficial community as well. The irony being that we did share it with them, and that is the only reason the journalists knew about this. But that fact was lost.

Q: We're talking about this is the Lockerbie explosion, which is—

MALLOY: Yes.

Q: Eventually ascribed to the Libyans.

MALLOY: The Libyans. Where they put a package on a flight that originated, I forget exactly where.

Q: _____

MALLOY: Yes, that then was added on to Pan Am 103 in Frankfurt and unfortunately led to a huge loss of life, a lot of innocent people. I feel that Max Robinson who was the one who made this decision, the senior consular officer, did the right thing. We all ended up taking a lot of grief for it, for sharing the information. I think we did the right thing. Max has unfortunately passed away, but that was a very sobering event. The irony was that I would leave Moscow in 1990 and go to the Department to be the UK (United Kingdom) desk officer and as such end up working on Pan Am 103 from that angle.

Moscow was a very challenging assignment, and a real sea change because it was while I was in this job that I was offered an opportunity to change my professional cone from consular to political. I consulted with a number of people, including then political counselor Mr. Ray Smith and got his thoughts and he actually was quite kind. He said you have to be realistic that when you compete for promotion you are going to be disadvantaged because you will be competing against political officers who have 10, 11 more years in the field than you. You will always be behind and the reality is you probably will not make it into the senior Foreign Service. My husband had a different view. He said, "Well, if you don't make it into the senior Foreign Service at least you'll be doing what you want to do for the rest of the time that you're there." It is not that I disliked consular work. It was that I really wanted to continue with the arms control, disarmament, nonproliferation work, and to do that I had to be in the political cone so I did change cones. And I did make it into the senior Foreign Service. I did get promoted twice. So in the end it was the right thing to do.

Q: When you get these conventional wisdom really doesn't make. I did the other thing. I was a chief of the consular section in Belgrade and loved the job so much. Inspectors came and said, "Oh you should go into consular work" and all that. At one point I was supposed to, I had the opportunity to take the number three job in the political, in the economic section, which Larry Eagleburger had just vacated. I chose to stay inside so I never became secretary of state. I had fun.

MALLOY: That's the key thing. I really felt that I was doing something positive and constructive and cutting edge. It was a very exciting, but stressful period. I can remember worrying about where I was going to find food. In those days we were still very restricted by the Soviets as to where we could shop. We had to use the diplomatic grocery store. We had to buy special tickets to use as currency there. It was only open certain hours. You could not just walk into a restaurant. You had to book weeks in advance. So when we would be out at the airport until seven at night trying to get a flight off and there were no restaurants. There were no grocery stores open. I mean there were many a night that I

would just sit there eating a hunk of old bread because I had no food. My shipment had not arrived yet with my consumables. So there were some pretty rough--.

Q: I can remember, I'd never, I had served in Yugoslavia, of course completely different. We never had real problems, sometimes the only thing served I remember at one time at a hotel in Pristina, I asked what was on the menu and it was baked brains and that was it. It's hard to imagine these things in a European country.

MALLOY: Well, it was pretty basic. Before I left, I was in Canada. My husband is Canadian. Because I was pregnant I needed to get vitamins. So I went into a pharmacy and said, "Oh I'm going someplace, and there's virtually no fruits or vegetables," so they identified one vitamin. Then I said, "Can't eat any of the dairy products," so they started to look at me kind of funny. So they said, "Well, then you'll need this." And I said, "There's almost no meat." They said, "Lady, where are you going?" I said, "I'm going to Moscow and I know I can get bread. That's the one sure thing." Because I was expecting it was kind of dicey, but you could order food packages each week from Finland. We all lived out of Stockman's, which is a large department store in Finland, and you could have an order that would come in on the train once a week. We were like little puppies waiting for the train to come and you would get milk or very expensive vegetables in the winter. Stockman's was the bright light in our life. But the whole time I was expecting I put on only 20 pounds, which is very small. So Christina our youngest was born prematurely and she weighed less than five pounds.

Q: Going to Helsinki to have a baby or--?

MALLOY: Normally that was what was done. I was one of the last who got to do that. Subsequently they changed it to going back to the United States or going to London or Frankfurt, I forget. I think we overwhelmed poor embassy Helsinki, which was a small embassy, and there were so many people in Moscow who needed medical support. So they shifted that away to a larger embassy. I went up to Helsinki a week later than I was supposed to go for a variety of reasons. It was hard for me to finish up everything I needed to do with work in Moscow. Unfortunately I went into labor on the flight so the baby was born that first night in Helsinki. I was all by myself because my husband was coming two weeks later to join me. So that was a bit of a crisis, but we survived and--.

Q: You can write, medical problems I have known in Eastern Europe. You were, you left there in 1990, was it?

MALLOY: July of '90.

Q: Then you were there during an interesting year, '89. I mean, how did that hit you and hit the embassy. What was your view of what was happening and well, I mean it seemed to be a surprise to just about everybody.

MALLOY: Well, the Soviet Union broke up after I left. But all the signs were there, and the intriguing thing in that year was the emergence of Yeltsin. I remember accompanying

Ambassador Jack Matlock on a trip down to Votkinsk. He went to visit the U.S. portal monitoring site. A bunch of us went along including Cary Cavanaugh. We visited a university where Ambassador Matlock was taking questions from the audience. In most Soviet encounters only the principal speaks and the rest of you just sit there mutely. But Ambassador Matlock wanted to share the joy so when one student asked who in the Soviet political universe he most admired he turned to Cary Cavanaugh and said, "Why don't you answer that question?" So Cary stood up and said, "Yeltsin. I think he's very interesting, courageous." It was interesting to see the reaction in the audience because people seemed pleased by Cary's answer and at the same time shocked that anybody other than Gorbachev would be named. It was striking if you think in terms of all the university students you have dealt with in your life. It was almost as if they were sitting on their hands for fear of responding. But it seemed farfetched at that point that Yeltsin would actually gain power, and yet he did. So it was an interesting time.

Q: Was there at all, you know back here in Washington, I think during the Bush I administration, we sort of put our money on Gorbachev, and there was a lot of denigration of Yeltsin. Not necessarily at the very top but the NSC (National Security Council) and others particularly around the White House were talking about he's a drunk and he's not stable and all this sort of stuff. Were you getting any of that, you were looking at him closer?

MALLOY: Well, all that was very true. He was a wild man. Gorbachev was far less popular at home than he was in the United States. To this day he is still held accountable by the Russians for giving away the empire. Yeltsin captured the imagination and the fire of a lot of people. The fact that he drank was not a negative over there. They all drink a lot. We did not get into it that much over there. Our role was to tell Washington what was happening. The actual fireworks happened after I left. The burning of the parliament building and the street fighting -- that was all after I left. Because the embassy housing compound was right next door to the then parliament building we actually had bullets going through the housing compound during all this. I remember feeling a little bit guilty because some of the officers that I recruited to go to Moscow ended up spending their nights on the floor of the gymnasium with their families trying to hide from bullets coming through.

Q: But there was the effort by a lot of, all I can call them, the White House apparatchiks to stop Yeltsin from being seen as a potential leader because Gorbachev was the person that we put. Did you get any of that feeling?

MALLOY: No, because there was no absolutely no sense that the leadership was decided by any kind of vote or by the will of the people. That is not how they chose their leaders. It is not like a U.S. election where you are trying to influence middle America and how they vote. The votes in the USSR were really immaterial. It was not a free election. It was more of an inside party decision, and we were really on totally new ground when the old power structures broke up. I can not say that we were trying to influence the people of Russia in terms of their--.

Q: Well, I'm not, in a way this denigration that I'm referring to had much more to do with, was a Washington thing.

MALLOY: Well, if you stacked them side by side, Yeltsin was a much more unsavory, unpredictable, unreliable character, and it played out that way. But Gorbachev had lost the support of his inner circle.

Q: Did, again this wasn't your thing but you were in the embassy. The beginning when the Hungarians opened up the border, the Czechs began to change and then of course then things started happening in East Germany. Was, how apparent was it that things really were changing during this time?

MALLOY: Very clear that they were changing in Eastern Europe, but still unthinkable that it would change in the Soviet Union. I mean I can honestly say that when I left in July of '90, it never occurred to me that the Soviet Union would break up. As a matter of fact the first summer I was back I went up to the Naval War College in Rhode Island for a crisis simulation. The theme of the simulation was the breakup of the Soviet Union and how it would play out. Even then it was a very interesting hypothetical situation. We actually did simulate and play out a lot of things that subsequently took place. A year later it actually happened. It was a shock to me. I mean you could see the weaknesses and the fractures and the fault lines. But—

Q: But they'd been there for years.

MALLOY: See the difficulty in Soviet society is that when people discern there is something wrong, they stop believing in the system, which happened decades before--. people actually did not believe in the great Communist system. In that society rather than setting about to fix it or improve it, people just tried to figure out how to make it work for them and their families. All their energy went into those efforts. They knew the system was a farce. Still they wanted to get their child connected into the right job and the right university and wanted to make this faulty system continue to work for them. We Americans think differently. We tend to try to fix the system. The Soviet people were enabling it rather than fixing it.

Q: You left there in June of 1990.

MALLOY: Yes, July.

Q: July, whither?

MALLOY: I was assigned to Washington as the senior UK desk officer. And so I was looking forward to a busy but normal life. We came back, bought a house in Virginia, just outside the beltway. At that time that was considered beyond the beyond, an unbelievable commuting distance. Now this area is viewed as close in, ironically. We paid an outrageous sum of money for this--.

Q: You live in Annandale?

MALLOY: We live in Annandale.

Q: That's where I live too.

MALLOY: In this little ranch house, and of course now it is, even with the demise of housing prices, it is worth more than twice what we paid for it. My husband was going back to university. I had a teenager, and I had a two year old. It was an interesting time. Day one on the job as UK desk officer, I had to meet Margaret Thatcher, the Prime Minister of England who was landing at Andrews Air Force base on route to a conference out West. The night of day one on the job, the first Gulf War started. Day four, Prime Minister Thatcher was back, maybe even day three, and it never stopped from there.

Q: This was Margaret Thatcher when she told Bush not to get wobbly.

MALLOY: That is right. And we went on from then. It was intense, fascinating, one of the toughest things I have done. Remember I walked into this job with zero field experience as political officer. So learning on the job was interesting.

Q: Just describe what the principal desk officer for the UK, the principal alliance, what sort of, what was your, what were you going to be doing?

MALLOY: Normally when you are not at war, that would be the British embassy in Washington's entrée into Washington bureaucracy. The State Department desk officers would help the UK Embassy staff support their visiting parliamentarians, VIPs, help their ambassador get access to the seventh floor of the State Department, which is where our undersecretaries are or to the sixth floor where our assistant secretaries work. We would also be the liaison point for our embassy in London in terms of what they need out of the Washington bureaucracy. During my time on the desk we sent the first career Foreign Service officer, Ray Seitz, as ambassador to the Court of St. James. That was a huge sea change in adapting because he was not a wealthy man, and it was always expected that the lion's share of representation costs in London would be picked up by the ambassador personally. We had to get extra appropriations for him, and he also had a very different approach to the job that had us doing some very interesting research. He wanted us to document the relationship in people to people terms. For instance he wanted to know how many times British citizens go to watch U.S. movies every year, all these different things. The material we put together for him was really exciting and interesting, and the guest lists that we set up for events such as the official visit of Queen Elizabeth to the United States were really innovative. We were not responsible for the great faux pas with the Queen and the podium at the White House, however.

Q: The talking hat.

MALLOY: The talking hat. That was done by the White House.

Q: You might explain what that is.

MALLOY: It was the first official visit by Queen Elizabeth and Prince Phillip to the United States. May have been the first time she was here officially as head of state. She had been here unofficially. She had been here as a princess, but I do not believe she had been here officially before. I could be wrong. Anyway, the planning was meticulous and the details as to where she would stay and who she would interact with. We thought we had absolutely everything covered. The official welcoming ceremony takes place on the White House lawn, and she was driven in by a motorcade and everyone was assembled. And we were lucky enough, the other desk officer and I, were invited to be at the ceremony for the welcoming, but the physical arrangements there on the lawn were set up of course by the White House staff. No one had really focused on the fact that Queen Elizabeth is tiny. I had been introduced to her on my first tour in London at a diplomatic reception at Buckingham Palace, and at that time I was shocked at her height. I mean, she is probably five-one, maybe. But in the media you only see her standing separately. You do not realize how tiny she is. The podium was set up for the President. Unfortunately when she stepped up to the podium and made her remarks addressing the media, all you could see above the podium was her hat. You certainly could hear her because she knows how to speak loudly enough to reach the microphone. But the television photos of this talking hat were so mortifying. It was terrible.

The other burble, we were all instructed on protocol by the British embassy, and we disseminated it to everyone who would come in contact with her. One of the protocol rules is you do not touch the Queen. You do not shake her hand unless she puts her hand out to shake yours. You wear gloves. She wears gloves. The Queen wanted to see something in Washington, to have a Washington experience, and the British embassy had arranged actually a quite lovely event where she would go and visit families in a part of town, rather tough part of town, who were making good and working hard. She was going to go have tea with a lady. When she came to the door, the lady was so overwhelmed by the honor that she bear hugged the Queen on television. The British press was full of outraged howls. The Queen carried it off just fine. As a matter of fact she invited the lady and a group of school children to come to visit her at Buckingham Palace, which happened the following year. So it all came out well, but those were the only two protocol missteps. My husband and I were fortunate enough to go to the after dinner entertainment for the White House dinner and to meet the Queen and President Bush. We were suitably attired, but we drove our little old Honda car, and so when we wanted to leave they did not want to bring up our car. We stood there for almost an hour while they brought up all the Mercedes and the Rolls Royces and finally after everyone else had left, they brought our little old beat up Honda up and let us get in the car and go. So we figured we probably should have rented a snazzier car for the event, but it was still great fun.

Q: Okay, let's before we move to the war and Lockerbie and all that sort of thing. Do you want to, can we go a little longer?

MALLOY: Yes, I have a few more minutes, and then I have a one o'clock in the Department.

Q: Okay. What, do you want to talk about the British embassy and how it operated during this time.

MALLOY: They have really top notch people there. I say that because now these people are doing quite well. One of our most frequent contacts in their political section is now their ambassador in Afghanistan. The Pol-Mil counselor has gone off to do all sorts of impressive things. It was Sir Antony Acland who was the ambassador at the time. They really sent very, very good people here. They were very well connected around town. Part of our challenge was keeping up with them because there was no requirement that they come to the UK desk if they needed a meeting in some other federal department, especially if they were up on Capitol Hill. We in no way would become intermediaries between them and the legislative branch. They did that themselves. We had to spend a lot of time making sure we were proactive in finding out what they were doing. The Gulf War, of course, was the single biggest subject. But there were a number of issues that were of keen interest to them - one of which was Northern Ireland. A number of U.S. state governments were trying to use the power of their pension investment plans to jawbone the British on Northern Ireland. In other words saying that they would not invest in or use their pension funds in industries that had anything to do with Northern Ireland, which was really hurting the people of Northern Ireland. It was not actually accomplishing the goals the states wanted. They were trying to do something positive but going about it in a ham-fisted way. So we ended up working with them quite closely.

Q: Was this Irish American politics playing a role or was it different?

MALLOY: Yes, yes, yes. That and ignorance but mainly politics. We worked very closely with them on counterterrorism. We had all sorts of NATO (North Atlantic Treaty Organization) issues that we were working together. The thing about the Brits is the bilateral relationship or traditional bilateral work which is U.S. government to UK government really was minimal. The British because of their colonial legacy and because they are a permanent rep in the UN (United Nations) Security Council and one of our closest NATO allies and the incredibly intense intelligence relationship between our two countries, they worked with us on virtually every global issue, every trouble spot in the world. So I had to produce a constant stream of briefing memos every time a high-level meeting would happen between any of the undersecretaries, deputy secretary, the secretary, the vice president, the President. We would all be feeding material into this. It was not about bilateral U.S.-UK relations so much. There would be the odd thing about the Iran-Libya Sanctions Act, ILSA, where we would end up having a bilateral issue because the Brits felt that this was an attempt by the U.S. government to impose our domestic legislation internationally. But aside from that and an occasional agricultural blip on the horizon on food or EU issues, it was all conflict resolution, conflict prevention around the world, which meant that when I wrote a briefing memo I had to get input and clearance from virtually every part of the Department. I remember doing one where I had over 90 different people who had to sign off and clear on the document, and of course

they would all start changing each other's edits and comments. It was a torturous process. Living through this it was part of the reason why Marc Grossman when he became executive secretary was pushing so hard to change this system. The papers became unwieldy, but you needed to cover the horizon with the British because they were right on the edge of whatever the topic was. It could not be the boilerplate description, the issue.

The things that were tough for us in terms of the bilateral relationship were the residual issues from the Falklands conflict; and therefore, arms sales to Argentina. Some of those issues were very neuralgic for them and we had to manage that. We were also responsible for all of the UK's overseas possessions. I gave that to the second UK desk officer as his particular responsibility. So he did all the papers on Bermuda. At that time the U.S. government was using Bermuda on a regular basis for multilateral and high level meetings with third countries. In other words, discussions that took place in Bermuda were not about U.S.-Bermudian issues such as the U.S. bases in Bermuda. Those briefing papers also had to cover a wide range of topics. In hindsight it was a great way for me to get briefed up on the full gamut of all the global issues, everything from Asia to Europe, Soviet Union, then former Soviet Union, unification of Germany, NATO expansion. You name it, they were hot topics that the British prime minister would want to discuss in Washington.

Q: Well, did you find yourself running up against this thing where they, our secretary of defense would call the minister, British minister. I mean, all these people were on first name basis with each other. And in a way it would sound like these were high caliber shells going over you and you were underneath this, but you supposedly had to be aware of what was going on.

MALLOY: Absolutely.

Q: This was the same with Canada.

MALLOY: When I mentioned we were Embassy London's conduit to the Washington community that meant we had to keep in close touch with our counterparts at different agencies. Some were more active than others. We would periodically attempt to hold a general UK meeting with all the people in Washington who had an interest in the account and give them a briefing, make sure we had their names, contact numbers. You had to be fairly aggressive in ferreting out information. It was not the kind of job where you could wait for it to come to you. So for instance if we would get a heads up from the British embassy of the topics the principal would be interested in discussing, and we would get both the State Department view and reach out and try to be able to tell our principal or whoever was meeting with this British visitor what the views were within the U.S. interagency community. We worked very closely with the National Security Council officer responsible for the United Kingdom. In those days paper had to be moved around for clearance by hand carrying it. This is before the days of being able to send paper electronically. So keep in mind I had to clear with 90 people. That meant I had to walk around find them, and wait for them to read the paper. Sometimes I would only have a

matter of hours to produce a paper and get it out. I was so enormously happy when the State Department moved to the e-mail system where we could actually send a draft to 90 people simultaneously and get their answers. But at this period of time we were still walking it around.

Q: There's the proclivity of everyone if you present somebody with a paper, they're not going to say that's fine and let it go. They'll do something and if 90 people add comments or put little things in. How did that, what did you come up with a paper within the right amount of time.

MALLOY: It would be a nightmare because you would have bureaus arguing, there were some of the functional bureaus who would insist that their boilerplate three paragraph list of talking points had to go in every briefing paper. Usually I would be limited to one page of talking points. So yes, theirs was an important issue but either I would have to leave it out altogether, in which case they would not clear or I would have to distill it to one sentence, and they would not want me to do that. I was always fighting battles. If I could not make headway I would have to go up to my DAS (deputy assistant secretary)for help. Or you would do what we did a lot for the presidential briefing material. Our clearance system was so cumbersome that it was impossible to get our input to the NSC in time to meet their deadline. So we would go through this hell, send it to them, they would throw it in the garbage because, of course, they would have had to give the President their memo two or three days before the State Department input arrived at the NSC. So we would send it into our clearance system and do our best to get it all done, but at the same time we would give a blind copy to the NSC staffer. It was just a draft for his information, and he did with it what he needed or wanted to do.

Q: This is how a system bypasses a system.

MALLOY: Correct and he would eventually get the official copy. He would also help me because two assignments later I took on responsibility for running the line, the Secretariat so having been a desk officer and seen this paper system helped me make a lot of changes but that is jumping ahead.

Q: Well, I'm thinking probably a good place to stop here because we want to pick up, well, two major themes. One was the Lockerbie thing, which we're doing. The other thing was the minor matter of a little war, the Gulf War. Also the relationship of Thatcher and George Bush, and I mean here was a case of having a prime minister who probably was probably was as powerful as you could imagine. Your evaluation of Margaret Thatcher and also sort of the British government and all, its role with America at a very critical time.

MALLOY: The Iron Lady, and it was during the time I was on the desk that she lost out to John Major and he came on board.

Q: This is, I mean, when she, the power changed.

MALLOY: Okay.

Q: Okay, today is the 29th of December, 2008. Eileen, we played and made some notes about where we, what we're talking. We're still talking about you're on the UK desk. Is that right?

MALLOY: Correct.

Q: So you want to cover some of those themes.

MALLOY: Right, we were talking about Margaret Thatcher, the Iron Lady, when we were wrapped up last time. As I mentioned previously the first day I was on the job I had been told in advance we would be going out to Andrews Air Force Base to greet her because she was landing on an official flight and then catching another flight out west to a conference. So she was on what is called a private visit, but she was being offered protocol formalities.

Q: These private visits were particularly common with people from the UK (United Kingdom). The Queen comes, the prime minister. There's an awful lot more of this than one thinks.

MALLOY: Well, the average American would be surprised to know that on any given day there is any number of heads of states or heads of government visiting the United States in a private capacity. The difference is an official visit is when they come at the request of the President. In other words they are invited by the President for an official visit. That did happen once during my time when Queen Elizabeth had an official visit. There are many different levels of protocol. It can be with full honors and greeting on the White House lawn and an official state dinner, or it could be more of a working visit when they have an official lunch. But the reality is, the President, any president can only host so many official visits throughout a year. The vast majority of visits to the United States by heads of state, heads of government are either private or in connection with the UN (United Nations) General Assembly in New York. So you would not normally have a meeting at the White House. Margaret Thatcher, however, was different because she worked so closely with her U.S. counterparts. She always tried to maximize her visits. It was not at all uncommon for her to have a round of official calls even when she was here, as was the case on my first day as the senior UK desk officer, on a personal visit to go to a conference. Matter of fact, the third day on the job the first Gulf War broke out. She cut short her trip out west at the conference and returned to London. However, *en route* she stopped in Washington for a round of consultations to meet with the White House. So in my first week on the job I had two separate times that I had to assist the British embassy in hosting and arranging a trip for Margaret Thatcher to come through. That pace continued pretty much for the whole time I was on the UK desk.

Q: How long were you on that?

MALLOY: Two years, a two-year assignment. And because of the fact that we were working so closely with the British government on the Gulf War, we were working with them for instance to forge a working coalition at the UN. When I started on the UK desk, people did not really view the Security Council or the UN as a useful tool in situations like this. It had never come together in a way that could move forward policy. However, this was an exception, and the British government, as another Security Council permanent member, was very much a part of that equation of getting the UN to step up to the task of confronting what Iraq had done in Kuwait. At the end of that two-year period people all of a sudden had a new respect for the UN. It was a very pleasant surprise the way it came about, but it was a multilateral effort. It was not just the United States. The other aspect of the relationship that was of great interest to Margaret Thatcher was the hard security aspect, the British are pretty much the only U.S. ally that keeps all three platforms for nuclear forces: air, submarine, and land, as we do. So we had an awful lot of interactions in the hard, national security field, everything from setting policy on technology transfer, which can be very dicey even with a close ally like Britain to the softer aspects of nonproliferation policy, working together on how to go forward with the Non-proliferation Treaty. I would be hard pressed to think of an issue of importance to the United States government that was not equally important to the British government.

Q: Well, the Americans and British are the only two powers one could maybe throw Russians in, Soviets in those days, that has a really, a global feel to what's happening in Patagonia can be important to them.

MALLOY: Well, it was complicated by the fact that historically the British had that, but the reality that I faced in 1990 was that they no longer had the capability to have a global reach. That was part of the reason they were interested in working with us because they had tremendous strengths in certain parts of the world, and they could help us there in exchange for us helping them in certain parts of the world where we were better positioned, not unlike the relationship we have with Australia. Australia is certainly better positioned in the Asia-Pacific region than we are, and we have strengths in Latin and South America that they do not have, or indeed in parts of Europe where they may not have close ties. So it was a relationship that worked well for both sides especially in terms of dealing with terrorism. They shared the same interest. They were by this point in time well on their way to being a country of immigrants just as America is. The average American will think of a British citizen as somebody who is of English descent or maybe Celtic. But the reality is all of the former British empire countries had sent huge numbers of people, whether Pakistan, India, Jamaica, you name it. The streets of London were no longer populated by English stock but rather by the very same ethnic groups as many of the countries that were yielding up terrorist movements of concern. Again, we had very, very close discussions on counterterrorism, counternarcotics, financial flows. So the desk job, my job at that time working with the second desk officer Dan Russell was to make sure that this all went smoothly. We did not have the luxury of becoming experts on any of these topics ourselves, but our job was to make sure that for the high-level visits, preparations were done so that they achieved the maximum result, and that is a whole lot easier than it sounds. With so many competing equities in the State Department, everybody wanted their material to get into the briefing papers for high-level meetings

with our British counterparts. That was because something would really come out of these meetings as opposed to many others where it was mainly protocol formalities. If the Secretary would only have time to cover 30 minutes worth of topics because in a one-hour meeting you have to let your interlocutor speak half of the time, and with the British blessedly there was no time lost in translation which would cut a meeting down to 15 minutes working time. So if the Secretary only had 30 minutes to tackle issues of concern for the U.S. side, you do not get that many in. So if you have sent the Secretary a 30-page set of talking points it is going to go in the circular file. So our job was to fight all these bureaucratic battles, winnow the material down so that we were telling our Secretary only what was the leading edge of the key issue and what the U.S. government wants to happen with that issue.

Q: How was Margaret Thatcher perceived from the viewpoint of the desk because you often have leaders we've had George Bush is not, junior, is not well received in many parts of the United States. His ratings are very low. But I'm told that in parts of Eastern Europe, they're very high on him. It depends. In other words, how do we view, do we see Margaret Thatcher as being a falling star having done her thing or how did we see that?

MALLOY: Well, from the viewpoint of Washington with a couple of exceptions, one exception being Northern Ireland, Margaret Thatcher was viewed as just about the best friend we could have. However the State Department has as long history of trying not to personalize the relationship with any one person. In other words we would not wish to play a role in whether Margaret Thatcher stayed on or not even though at that moment in time we had excellent relations and she was working very well with us. We go to great lengths to make sure we have great relationships with the loyal opposition in addition to whatever party's in power. If I think back to my first tour in London when I was the ambassador's staff assistant, one of my jobs was to work with the political section to identify future leaders at a fairly junior, mid-grade level and organize a series of one on one luncheons for the Ambassador Kingman Brewster. And one of them was with Neil Kinnock. So that is why the embassy in London had good relations with people like John Major who replaced Margaret Thatcher. These are the people that we were watching way down the road. My point is that while we do not take a position or speculate what would happen to Margaret Thatcher, we did keep our lines of communication open.

There did however reach a point when it was clear to those of us who were responsible for watching the internal politics in the UK that she was in danger. We dutifully flagged that for the upper levels of the State Department and got slapped down. The reason being that they did not want anything to appear in the media that would indicate the U.S. government was taking action to prepare for the eventuality of a leadership change in the UK for fear of that leaking and somehow then becoming a player in this internal process. At the time the Deputy Assistant Secretary for European Affairs responsible for the UK and a number of other countries was Mary Ryan. Mary Ryan was a superb officer who eventually rose to be Assistant Secretary for consular affairs for many, many years, where she did a brilliant job. However, she was not regarded by the policy folks as a brilliant analyst. She was what in those days was called the female DAS (deputy assistant secretary). You always had to have one. So we decided, we Dan Russell and I, decided

that it would behoove us to make sure that she was particularly well briefed and that she could help us raise the sensitivity levels up on the seventh floor that there was something going on and that everybody better be aware that it was not beyond the realm of possibility that Margaret Thatcher would lose her control of the Conservative Party. This was a battle within the Conservative Party itself and obviously under the parliamentary system in the UK, the leader of the party in power becomes prime minister.

Q: The turnover can happen very quickly.

MALLOY: And indeed it did. There were several rounds of leadership ballots in the Conservative Party. It became almost an honor process. She went in, there was a leadership challenge. She went in thinking she would win hands down, and she did not. There was no clear winner if I remember correctly out of that first round. So then they prepared for a second round. In between those, that first and second round, she lost a couple key supporters so her base began to erode, and as others saw people leaving, other people left. So when the third round came about, she had lost. It was almost the old, "don't let them see you bleed. Everybody thought she was invincible, but then all of a sudden when there was a slight crack in that people walked away, and conventional wisdom at the time was the Conservatives had been in power for such a long time period, and as in many democracies, the British people wanted a change. We saw this happen, it happened quite a lot in Australia as well. So by her stepping down and John Major stepping up, the people got a change but the Conservative Party did not lose its hold on power. Conventional wisdom was that she was convinced that she needed to step out of the party leadership for the good of the party. Otherwise if she stuck in there until the next election, the conservatives would surely have lost.

Q: How, were you there when John Major came in?

MALLOY: Yes.

Q: How was he perceived beginning in and during the time you were there?

MALLOY: He was considered to be an excellent successor, shared her views on most everything but lacked her strength and her imposing persona. In other word he did not command the same allegiance in the international arena as she had. But you could not find a nicer man. I remember on his very first visit to Washington we were all summoned out to Andrews Air Force Base as always when a head of government arrives. We were standing there in the dark, and it was in the middle of the winter, and we were out on the tarmac for quite a long time, and so I had worn my heavy winter coat. The weather changed suddenly, and it turned out it was not that cold. So I was cooking out there, sweltering in this coat. When he bounded off the airplane and shook my hand and came to a full dead stop and said, "My, but you have warm hands." After that he always remembered me as the lady with the warm hands.

Q: Well, you were mentioning the British embassy, our embassy in London and keeping ties and other things, I go back and one of my interviews, I can't, an awful thing. I can't

remember the name. He later was an ambassador and I knew him fairly well. Anyway, the name escapes me. But in 1945 when there was the election at the end of the war and Atlee came in and the Labor government and Churchill was out. The only person in our embassy who had any ties was our labor attaché. He had good ties, and nobody else knew any of these. I mean, they'd been with the Tories all through the war, and that I think that was a lesson well learned in London.

MALLOY: Oh yes. I look for that. As an inspector, that is one of the things I look at when I inspect other embassies because I started from that tradition. It is not as widespread as one might think. In some countries identifying the loyal opposition is quite difficult or changes all the time so it is harder when there is a multiplicity of different political interest groups. But in an environment as settled as the UK or Canada or Australia or New Zealand, yes, we would expect that the embassy would be developing both sides of the political spectrum.

Q: Well, you know you just put these things in some context. You're talking about we didn't want to be caught with a paper leaking that we were considering a successor to somebody. I mean one of the things, it's not that much of an issue anymore, but at one time it was a major issue if what would happen if Quebec became an independent country. I'm sure everybody in the State Department, they all had ideas but you couldn't put out a paper. You don't touch that thing. It would be like a third rail. Because, sure as hell it would get out and this would, whatever we said would have caused rabidity on the opposite side.

MALLOY: Well, you do not want to be a victim of the law of unintended consequences. You do not want to be a player in an internal process where your views are not legitimate. It is not legitimate for us. It was not that it was wrong for us to have a paper. There was just no way to control it. What happened is Dan Russell and I took to watching very closely and running upstairs, two flights up stairs, and briefing Mary Ryan as this played out. And indeed as we watched the returns being counted and we realized that Margaret Thatcher had just lost, we tore out of the office and we were up there in Mary Ryan's office on the sixth floor. I never knew if she understood why we were so excited, but what we wanted her to do was be the one to call upstairs to the seventh floor so that the European bureau was the one that flagged this development for the Secretary, not CNN (Cable News Network). We knew that we had only seconds to beat the media to do that. But our goal was just to make sure that the Department was well equipped to respond to what was going to be a huge change.

Q: To get a feel for Margaret Thatcher and her famous getting caught in the Gulf War and being in Colorado and coming and seeing George Bush and we'll talk about that in a second. But did you sense from the British embassy that they were pretty nervous when she came. Just being a fairly powerful person if you're a government employee having somebody like Margaret Thatcher striding down the halls of your embassy can make you a bit nervous, or not?

MALLOY: British diplomats who are assigned to the United States are the cream of the crop, and they seemed able to roll with it. They, first of all, are much comfortable in protocol than we colonial folks are. So the whole concept of how one speaks to a prime minister, how one deals with it, they do not, they were not discomforted by it. Her personally no, she had some very powerful staffers. Her senior foreign policy advisor could be tough, and I remember that the son of one of her senior foreign policy advisors arrived to serve in the embassy and that I imagined caused a bit more fuss. He turned out to be a good officer, so he earned his stripes. But having somebody who could phone home and get to the Prime Minister, I am sure would be discomforting to the ambassador.

But no, they wanted the substance to go right. That was always their concern. The only visit when they were concerned about the protocol and the format was the Queen's official visit. In all others it was getting the right meetings, getting the right items on the agenda. Not only were they interested in making sure that our briefing paper had the same material as theirs did but they did not want the Prime Minister to walk in and raise a subject that her U.S. counterpart would not be equipped to discuss. That would be a wasted opportunity. They also would want to jawbone us to remove things from our suggested agenda. In other words, as you know but maybe your readers do not know, each party gets to raise topics. We would be under domestic U.S. pressure to raise topics such as Northern Ireland. And the UK side would raise topics that we perhaps did not want to talk about such as ILSA, the Iran Libya Sanctions Act, or they would raise U.S. plans to sell arms to Argentina, which always made them unhappy. So there would be certain jawboning back and forth, always on a substance, not on protocol. There was a sense that Margaret Thatcher was so up on her brief that she did not require a great deal of preparation. She really knew more about the stuff than virtually anybody else. It was not that the embassy had to get her up to speed on exactly the right angles.

Q: Well, and also George Bush Senior was of the same ilk.

MALLOY: Same thing.

Q: This was his mother's milk or whatever you want to call it with foreign policy.

MALLOY: So it was really a very good time to have a desk job like that.

Q: Okay, do you want to talk a bit about how the Gulf War hit you when you first heard about it, sort of the desk reaction and then when Margaret Thatcher became involved in all that.

MALLOY: Well, I was disadvantaged in that I had never worked on a desk before, and I had never had a job in the field that was straight political reporting and analysis. I had been doing consular work for ten years, and then I had a two-year job that was more programmatic and operational in Moscow than analysis. So the bomb explosion in my life was getting up to speed on drafting numerous briefing papers. The deputy office director and the second UK desk officer, Dan Russell, were tremendously helpful in teaching me the tradecraft. If I had that full background it probably would not have been

as overwhelming, but I would say the first year I was feeling like a deer caught in the headlights. The second year was a much more productive one for me because I could actually carry the full load rather than being a drain on them. At that time I do not know if there was such a thing as political tradecraft courses at the Foreign Services Institute—

Q: I doubt it.

MALLOY: But they certainly were not available to me. All I got was paper files on various issues, which I would use to get up to speed on an issue when the issue cropped up. I was always behind the curve. That first year I was just learning the role that our Bureau of Intelligence and Research plays in the Department and how it could be helpful to me. I was learning how to arrange meetings on the seventh floor for the British embassy when they needed them. Pretty much it was just an overwhelming job. I can not tell you how many pairs of shoes I wore out running around the hallways of the State Department because we could not e-mail anything. We had to physically walk it around. I would be there late, late at night. I remember carpooling and over and over again I would miss my carpool ride home. One night I called my husband and said, "I'm sorry, I did it again. I missed the carpool. I don't know how I'm going to get home." There was a long silence and I thought he was angry with me. Then he said, "But, Eileen, you're the carpool driver today." I realized that standing out in the rain, in the outdoor parking lot, was a very unhappy group of people waiting around my car, and they had been there for quite a while. So it was a lost two years of my life, but by the end of that two years, I knew how the Department operated.

Q: Well, of course it may be a little bit better, I mean, they do have the courses in tradecraft. But I know when I went out as a consular general, principal officer, nobody told me what it was supposed to do. You're talking about being in a critical place, and you have to, I mean this is very Foreign Service. It's great, we're tough and we can learn. But things are lost by this learn on your feet. And which you train somebody to at least in part of what to do.

MALLOY: Well, I go back to what we had been trying to achieve for the last 20 years, which is a training flow. For every Foreign Service officer put into training, a job somewhere has to sit empty. We have never been able to crack that code. Because of language training so many jobs are already sitting empty. So it is very hard even to get that six months of training. In my career of 30-some years I have had a cumulative training of six months, maybe. And that is not that unusual. So as opposed to the military where there is an active training program and they end up--

Q: Thirty percent of their time is in training.

MALLOY: Which is wonderful. Ours is more designed to winnow out those who cannot learn quickly, those who cannot adapt, those that cannot keep up with the pace. I remember I would get calls from the Hill to come up and testify on certain aspects of British policy on Northern Ireland. I had been on the job for only weeks. I was not the right person to do that. No one else would touch it. I did not do it. Took a lot of heat, but I

figured not testifying on a subject I knew nothing about was probably better than getting up there and doing something wrong. I also got phone calls when Thatcher was about to lose her party leadership, in between these rounds of votes, from people in NGO (nongovernmental organizations) saying the U.S. government should be putting out public statements about how useful she was; we should be defending her publicly. I did not have any training, I instinctively knew that would be the wrong thing to do, but I had no one to bounce that of off of. So it, yes, it is a frightening place to be when you are not 100 percent sure of yourself, but that is the nature of the State Department.

Q: Well, now to move the focus to the immediate repercussions of the invasion of Kuwait by Saddam Hussein in 1990. What, how did this hit you? Was anybody, was it apparent that the UK would get involved or not? What was your reaction?

MALLOY: Well, they made very clear that they were going to play a constructive role from day one. I do not think there was ever any question. Then again once that diplomatic discussion was conducted, and both sides agreed, it went off into special channels. Most of the military-to-military relationships took place directly between the Pentagon and the UK Ministry of Defense. The desk would not be between them. It is one of the countries, again like Australia or Canada, where people at every level of U.S. government and people at every level of British government are perfectly comfortable working with their counterparts. There was no way on earth that one or two people in the State Department could be the intermediaries for this vibrant dialog. The downside of that is we had no intimate knowledge of how all these discussions progressed. All I knew was that the UK military and the U.S. military got together and decided how they were going to divvy up the Gulf War action. Where we did get involved was the diplomatic fall out of some actions. There were, unfortunately, some friendly fire incidents in which UK troops were killed on the ground. In the United Kingdom there are requirements for coroner's review of cases like that. So we became involved in managing that aspect of it. But other than that we would not play a role.

Q: Did you get any at the time any information about the famous thing where Margaret Thatcher was supposed to have told George Bush, don't get wobbly on me George. I mean did that, was that something or is that something everybody heard about later or what?

MALLOY: No, we, ideally when they met, there would be a record of their conversations, and we would eventually get copies of those. But in that instance I would have heard about that in the media more quickly.

Q: How did you find the British media as far as what was going on? It's hard for an American to really understand the British media because you see, was it the topless girl on page three of the Star or the Globe or some paper. But I mean it seems so sensational and so kind of sleazy.

MALLOY: Well, there are two kinds of newspapers in the UK. There is the penny rag and we do not really have those here anymore except for maybe the Daily News in New

York. Those we would not bother with. Then there are the serious publications like the Times, the Times of London. They actually had correspondents based here in Washington and they are a group of people that we would keep in touch with. So if I was going to read UK media it would have been the Guardian, it would have been the London Times, or the Financial Times. It would not be the Star or any of those. They have their own culture over there just as we do ours. The media is not always right on the mark, but they have a pretty good way of sniffing out the key points. They have become a power and have influenced policy in their own way. But I did not find the British to be as driven by the daily press guidance routine as we are in the United States.

Q: Did you find, just you in person accustomed to sort of the State Department or Washington, I often have the feeling particularly on desk and all, the first thing you do is read the Washington Post and New York Times that almost sets your agenda for the day if there's an issue that crops up or not. How did this play with you?

MALLOY: Well, the very first thing you needed to do on the desk was to ensure that your principals did not get blindsided. So if there was an article in the media or on CNN that discussed some aspect of UK-U.S. relations or even just UK and the rest of the world, if there was a possibility that our principals would get asked about it or the press spokesman or media spokesman get asked about it, we needed to generate guidance--in other words lay out the question and give suggested answers. So yes, that would be a very time consuming part of your morning because it all had to be ready by noon and it had to be cleared by the appropriate people. It was one of the reasons we spent a lot of time physically running around the building trying to find the right person to clear, make sure all the equities were covered. So if I got up in the morning and there was an announcement that there had been a friendly fire incident in Kuwait and two tanks or armored personnel carriers full of UK soldiers had been killed, we would refer that to the Pentagon. We did not comment on military matters. If there was an article saying that the UK was unhappy that British citizens who had HIV (human immunodeficiency virus) had been denied entry at U.S. ports of entry, then we would work with the Bureau of Consular Affairs to work up an answer. Our job was to make sure it got done. If it was about Northern Ireland, we would work with the desk officer handling Northern Ireland and make sure it got done. So a very, very important part, but if a desk officer allowed his or her day to become sucked into that exclusively, they would not be doing 75 percent of their job.

Q: How did Northern, I can't remember if I asked this last time. But how did Northern Ireland fit. It waxed and waned. You had of course this intense interest in the Boston and New York areas and all that. How did it fit?

MALLOY: I would say that on Northern Ireland this was the one issue the general American public would be critical of her government. They had a very hardnosed attitude towards Northern Ireland. The British government was in effect running the local government of Northern Ireland at that time. It is only very recently as in the last year here in 2008 that power has devolved in Northern Ireland. So back in 1990 it was still very much a military island being run by the British.

Your average American viewed that as an invading force when in reality the British government would have been thrilled to have gotten out of there, but they felt it was the only way to maintain local security and keep the two sides apart. Technically Northern Ireland issues were handled by a separate officer who did Ireland and Northern Ireland for the State Department. That was partly a result of our own Congress and the way they wanted it to be handled. But in reality we had to work very closely with that person and he had to work with us to make sure that our interactions with the British and the Irish governments reflected U.S. policy on both sides. The day to day to work on Northern Ireland would not affect me. But it worked into a number of issues that I was responsible for.

For example at that time the State Department had a travel advisory system. We would post a notice such as, "All U.S. travelers should be aware that it is problematic to go to country X or country Y because of a big conference. You will never get a hotel room." The U.S. government did not have a travel advisory for the United Kingdom even though there were incidents. But when the IRA or PIRA, Provisional Irish Republican Army, set off a series of bombs in the financial district in London that once again raised the perennial issue of why we did not warn Americans who were visiting the United Kingdom that they were at risk. The British government felt strongly that we should not do it. They were a close ally. Tourism was very important to their economy, and they pointed out to us that we were living in what was called the murder capital of the United States, and indeed more people were killed in a week in Washington, DC than in an entire year in Northern Ireland. The UK government had not put out a travel advisory on Washington.

There were all sorts of behind the scenes jawboning back and forth and back and forth. We had to find an answer for this because we could not allow an American to be at risk visiting the UK and be oblivious to the fact that there was a danger. Nor could we ham-fistedly all of a sudden list the UK right on up there with some horrible third world post. At the end of the day this dovetailed nicely with something the Bureau of Consular Affairs already was working on. And that was to change the advisory system and no longer just have travel advisories when there was a problem in some country, but rather to set up a site on every country in the world where we provided information about all sorts of things, visa regimes, temporary problems, ways people could get in trouble. In that new format the UK page would include a discussion of the PIRA bombings. They were not thrilled with this, but they saw the beauty of it being done on every country in the world. And that was the end result. I cite that as an example of an issue outside of my control, but which intruded on my job as UK desk officer.

Q: Did, were you cleaning up after, still after Lockerbie or not?

MALLOY: Yes.

Q: How did that, what were you up to?

MALLOY: We just had the, is it 20th anniversary, yes. Twentieth anniversary just passed so it was just about two years after Pan Am 103 crashed that I was on the UK desk. Desk officers usually visit their embassies once in their two-year tour. So I had gone to London, to the Belfast consulate, and to Edinburgh to meet with the consul generals, to see if the desk can be more helpful to them, whatever. Going up to Edinburgh brought me into contact for the first time with what was actually being done after Pan Am 103, and I was astounded to find out that because of the intense feelings of the relatives of Pan Am Flight 103—

Q: Yeah, it was a very cohesive and very militant group. One has to give them full credit for really keeping the thing on the front burner.

MALLOY: I think it was the first time a group came together like that and pressed their issues. They felt very strongly that anything that was recovered from the plane should be returned to them. So that created two problems. One, preserving a whole plane load of things in varying condition. And two, figuring out what belonged to whom. So when I got there, there was a warehouse, and the Scottish authorities really wanted to dispose of these things because they were biohazards. But because of U.S. political pressures we had to keep them. There were all sorts of discussions about who should pay for the warehousing of all these personal effects. The other thing that I got to see was that they had actually cataloged virtually every item, every watch, every camera that had film, anything. They had taken photographs of each item, compiled an album and sent it around to all family members of the victims so that they could identify what belonged to their loved one. And in cases of disputes over the same items, the consulate staff attempted to resolve it. A lot of durable goods that could be identified by this point had already been returned to the families, but there was still clothing, shoes, any number of things that would never be identified.

That really brought home to me the extent of grief and was really the very first case of a group of people trying to recover everything from a plane. That has played out many times since then including some aircraft crashes over the water off Canada, but this was the first. It made it much more personal to me than it had been before that. One thing that troubled me was we had given an award to a Foreign Service national who was the chief interface this group had with the consulate, a Scottish woman. She became the Foreign Service national of the year. In my second year on the desk I went through a downsizing operation, and there was a debate whether we should close Edinburgh. In the end it was reduced in staff, and eventually this lady was let go. I found that disturbing in a way. I could understand it rationally but it troubled me.

Q: What about with Northern Ireland, did you find yourself in a spitting contest with our embassy in Dublin and usually done by an Irish American political there and this—

MALLOY: No, I can not say that that was an issue, and since at this point I myself had served in Dublin; I had served in London; I had done an extended TDY (temporary duty) in Belfast; I felt comfortable squaring that. I did hear after I left the desk that the British embassy was actually quite nervous about me getting the job as desk officer because with

a name like Malloy and somebody who had served in Belfast, they assumed that I would be a flaming IRA (Irish Republic Army) sympathizer. The reality was that our folks in Northern Ireland, I am sorry in Dublin, are there to represent the government of Ireland and the government of Ireland sees its role most immediately in supporting the people that live in Ireland. Yes, they do issue Irish passports to people in Northern Ireland, but if somebody from Northern Ireland gets turned down for a visa in Belfast, you are not going to get pressured from the government in Dublin. When somebody in Dublin gets turned down for a visa, you get pressure, and that is what our embassy in Dublin reacts to. So I can not say that that was an issue in the time period that I was there.

Q: The recognition of the Sinn Fein come up at all?

MALLOY: Sinn Fein.

Q: Sinn Fein.

MALLOY: Well, at that time Sinn Fein was a prescribed organization. It was not the politically acceptable organization that it is now. So issues that would come up that would rise to the level of the desk would be visa issues involving Sinn Fein. So when Jerry Adams wanted to come to the United States—

Q: Who is the head of—political head.

MALLOY: Yes, he heads the political branch, not the operative branch, that would become an issue. Or when one of the Kennedy grandchildren married one of the IRA prisoners who had been released from jail that became an issue. So there were issues that could not be contained strictly in that Northern Ireland desk officer job.

Q: How did the Kennedy the IRA nuptials get resolved?

MALLOY: I do not know if they are still married. But he received a visa, they were married, and he did get permission to live here.

Q: I mean he came.

MALLOY: Oh yes. He, I think he came on a visitor visa, and then they married. I forget the details.

Q: Oh God.

MALLOY: There are things that the British government found very offensive, and it was our job to connect them with the people who would be in a position to hear them out. We could not promise resolution.

Q: But you were doing this until when? The UK desk.

MALLOY: 1992. In 1991 the gentleman who was the assistant to the undersecretary for political affairs for Europe came in and asked me if I would have any interest in competing to replace him. I found that an interesting idea. But I was in the midst of a two-year tour, and I had just gotten through this huge change, and I was just getting my sea legs and let it pass, and one of my fellow desk officers, the Nordic desk officer Carol van Voorst actually took the job. She went up and became P staff. P staff jobs are one year in duration. So in 1992 I was bidding on an onward job, actually probably more like fall of 1991 because we do it a year in advance, and the P staff job came up again. And I was actually selected to replace Carol van Voorst on the P staff.

Q: P staff, what does that mean?

MALLOY: P, undersecretary for political affairs, and that undersecretary would have a Foreign Service officer, mid -grade officer, who would advise him or her on each of the geographic specialties. The portfolio that I was going up to take was Europe, the former Soviet Union and arms control. Very, very broad.

Q: Oh my god, yes.

MALLOY: Portfolio. So summer of ’92 actually somewhat early spring, it seems to me I went up there about June, I forget the exact dates. But Carol van Voorst was heading on to her next assignment so I moved up there.

Q: And you did that for a year.

MALLOY: I did that for a year, yes.

Q: This is ninety—

MALLOY: Two.

Q: Two to ’93.

MALLOY: Um hmm.

Q: In the first place how did you keep yourself, I mean how did you operate because this is a huge portfolio. But basically what were you doing?

MALLOY: Well, again if I thought the UK desk was a bombshell, this was huge. I was selected, David Welch was the senior assistant to the undersecretary and played a role in the selection but he left shortly thereafter because when I was selected, it was to serve Bob Kimmitt, and David Welch was his senior assistant. Bob Kimmitt left before I actually arrived up there, and Arnie Kanter came on board with a whole different set of people. So I ended up serving Arnie Kanter. The first few months that I was up there, Bosnia exploded, and our life became a series of constant deputies committee or principal committee meetings on how to manage Bosnia. Also the other big theme was dealing

with the breakup of the former Soviet Union and the nationalism coming out of that. And the third theme was I, in addition to my other responsibilities, I was the, what was then the G-7 note taker, which meant I was the official contact on the G-7 process, and I was the one who was supposed to prep all the books for all the meetings.

Q: G-7 being—

MALLOY: The Group of Seven, the most highly evolved in an economic sense, countries. It was already eight at this point because the European Union (EU) had been added to this group. There were eight political directors, and the undersecretary for political affairs was the U.S. representative along with his counterpart Canadian, British, French, German, Italian, Japanese and, like I said, the EU would be added. If you look at that everybody is pseudo-European except the Japanese. So we had an added responsibility of making sure that they were, the Japanese were kept fully integrated into this. I basically did nothing for a year but work. I remember my first week on the job talking about the fact that my father lived out on the Eastern Shore, and my family and I liked to visit out there occasionally, and the other staff all looked at each other meaningfully and said, "What's the difference between a Saturday and a Friday on P staff." The answer was you do not have to get dressed up for work on Saturday. You still have to be there. In other words there were no weekends; there were no evenings. There was just work for a year. But again it was a huge learning experience.

Q: Well, what, I assume that an awful lot of this was reading the files that came in or—

MALLOY: This was before our cable system was automated so we got our cables twice a day in paper form, and in my case they actually showed up one day with a Safeway shopping cart to wheel in the pile of paper that I had to read. I had to develop systems, which I have used in subsequent jobs because I had to get through that pile of paper twice a day and make sure I knew what was going on and make sure that my boss was not caught short. I also had an email system going full-time, and I had phone calls going full-time, and I had to prepare briefing books for the undersecretary. As you can imagine, reading that volume of paper would be virtually impossible. The reality is there were certain posts who did not know how to attract my interest, and I went that whole year never looking at their cables. They had about two seconds to get my interest. I would look at where it was coming from; I would look at the title. Most of the time, that was as far as I got. People wrote an excellent analytical cable, I am sure that the people at the Bureau of Intelligence and Research and the desk loved it, but up at the seventh floor level, do not have time to read anything that is over a page in length. You need to get to the point right away. So it gave me a really good sense of how to craft a cable if you wanted attention up at the seventh floor level. Towards the end of my year up there in P staff, we actually shifted away from paper cables to an automated system where it was all on the computer screen. That actually was even worse because if you did not have time to look at the screen and did not look at the screen, and the next day you had an additional 4,000 cables. There was no way to look through all this. They had to refine the system. I had to manually go through three pages of the headers and everything before I could get

to the meat of the issue. So it made it very, very difficult there for a while. Now it is a much more refined system.

Q: Well, with this going on could you, well, in the first place, okay, you absorbed this and then what did you do with it?

MALLOY: I would only be looking for material relevant to the policy edge on certain issues, number one. So if there was a regularly scheduled deputies committee meeting on Bosnia, it was my job to find out what other key governments were thinking about the way forward on Bosnia. Also, to make sure that my counterparts at DoD (Department of Defense), at CIA (Central Intelligence Agency), told me what they were telling their bosses so I could have my principal equipped when he went into the meeting. And to keep an eye out for emerging crises that are going to knock us off our paths. So, for instance, Tajikistan started blowing up in the midst of never-ending Bosnia. There just was not enough energy or time for us to deal on the seventh floor with Tajikistan. So we would task the bureaus. Get out there and deal with this.

Q: Well, on this. Was there any retention on your part? I'd like to talk a bit about Bosnia. Did you have, did you get any feel for how at that level we were dealing with Bosnia?

MALLOY: Yes. I did not claim to be an expert myself on Bosnia. My background was in Soviet Union as opposed to Eastern Europe, but it was pretty clear to me from my two years on the UK desk, that U.S. government policy was that the Europeans who had long wanted their own foreign policy identity should step up and deal with this. This was a crisis in Europe. There were resources in Europe. The U.S. government did not feel that we should be the world's policeman or we should be the first up there. It exposed a lot of weaknesses of the supposedly unified European Union countries' policy on use of force within their own backyard. Nothing much was happening and what was going on was not happening forcefully enough. They could not find unity. The Germans had a very different position from the United Kingdom and from the French. The Russians were key players in Bosnia as well having very strong political and culture ties with the Serbs. It came down to the reality that if the United States did not do something, nothing was going to get done.

The other issue that was being batted about was genocide. After World War II and the Holocaust, there were many commitments not to allow it to happen again, but this was the first real, live time that people were trying use that anti-genocide commitment in a specific case in Europe. There was a great debate about what constituted genocide, did this rise to that, all that going on. Many people argued against the United States taking action, were afraid of precedent setting, the fact that there was no consensus at the UN, believing that Europe should do it first.

Meanwhile a number of our officers serving both in the field and on the desks in the State Department responsible for the former Yugoslavia were growing very frustrated by what they saw as a lack of action, a lack of purposeful action on the part of the U.S. government. The undersecretary for political affairs had a role in the dissent process at

the State Department. A dissent cable is a cable or a memo from within the building that comes up from an individual who disagrees profoundly with what they perceive to be official U.S. government policy. It is a channel to allow someone to bypass the ambassador from an overseas embassy if they feel the ambassador is off course or is not presenting the full view. A group got together and actually presented a dissent channel message to the Secretary of State, which went first to the Undersecretary who was then Arnie Kanter, my boss. Their message stated that we should be doing something more vigorous in Bosnia. We should be preventing genocide; we should be stopping the bloodshed. It was Arnie's role to take a look at the issue, rate their material and sit down and talk to them, which he did. And then he in turn briefed the Secretary on the issue, made sure the Secretary was aware of the information contained in the dissent channel. Policy did not change immediately, and I know that a number of people felt that it was ignored. It was not ignored, but it did not have an immediate impact. Some of them chose to resign from the State Department based on this. Some decided just to keep on working there. They jokingly called themselves the Yugoslavs because they like those of us up on the seventh floor were working incredible hours, days and nights, trying to deal with all this. But they did have an impact.

Q: Well, right now I'm reviewing an interview I did with Ron Neitzke. In which he was first consul general and then a chargé in Zagreb during much of this time. He makes quite a case of the attempt of the administration on the political side but also the State Department to come up with equivalency, which was to show, the Serbs, the Croats are as bad as the Serbs and all. In this case this wasn't, I mean this wasn't true. But there were great efforts to use dubious information, everything else to try to balance this off, point out that some of the people involved in this like Larry Eagleburger and Brent Scowcroft and others, Tom Niles were all Belgrade-hands. I was one of those, but I was out of the State Department by this time. It's a rather compelling case of people being almost deceitful in order to, or very picky in order to try to basically to keep us from naming a genocide and getting involved there. Did you feel any of this?

MALLOY: I can not say that I would agree with that. Everyone was killing everyone. I do not know that any one group would be totally innocent.

Q: Well, nobody was totally innocent. It just happened, I mean according to this account that 90 percent of the killings was the Serbs because the Serbs were in a position to kill and the Croats weren't.

MALLOY: I am not sure that anybody has those statistics. The reality is if one was going to make a case for genocide, it would be against the Serbs for what they did to the Bosnians. It would not be against the Croats. I do not know. Definitely there was no dispute. Larry Eagleburger had very strong ties to Yugoslavia. I do not think that was a dispute, that anybody would dispute that. Whether he was personally trying to keep the U.S. government from saying genocide was going on to protect his Serbian interlocutors, I think that would be a stretch.

Q: I mean, it's not to preserve but it was a certain bias you might say. I can understand because I came under the same influence way earlier.

MALLOY: What I can say is everyone was absolutely horrified and having trouble accepting that in modern Europe, in a city that had hosted the winter Olympics that that level of brutality could be taking place. One of the things that we worked on that was very, very powerful. We said somebody needs to find out what is actually going on. Somebody needs to be interviewing the people on the ground. And we became involved in funding the process of interviewing people in the displaced persons camps because at this point you had all sorts of people in Hungary and Switzerland and within the former Yugoslavia, people who had for one reason or another been forced to leave their homes and seek refuge somewhere else. The idea was to have nongovernmental folks interview these people and try to A.- create a documented history and B - get an idea of numbers and what was really happening because so much of what was being used as evidence was third hand, fourth hand, designed to influence policy. So this sounded like a smart thing to do, and off went the interviewers and cables started coming in with the results of these interviews. They were unbelievably difficult to read. None of us had anticipated the violence and the pain and the brutality that was coming out and being documented case by case by case. These stories could not really be documented in a form that could be used in a court of law afterwards but still they were documented.

Q: Actually it was.

MALLOY: Eventually.

Q: Eventually.

MALLOY: Yes, but still without forensic evidence, not ideal but still starting the process. When all this started coming through, this only further inflamed the feelings that something needed to be done. But it was for the first time giving people a sense of numbers and impact. Down the road we will talk about Kosovo because I also ended up involved in that, but it was very similar in that phone calls were being made to ethnic groups in the United States who would call various people, and all of a sudden you would be told that thousands of people had been murdered. But you had no way of knowing if it was true or not. Unfortunately, in the former Yugoslavia they are still uncovering these mass graves, and indeed it was true. But we were using every source we could to try and document this. For instance we were even taking pictures from airspace so we could find places where there was ground recently disturbed.

Q: Satellite pictures.

MALLOY: Imagery and then going out and checking these things out. When I say it did not have an immediate impact, what it did is drive the system to try to come to grips with something that would give us grounds to either push the Europeans or to do this ourselves. But even once you reached that intellectual decision, you still had the whole process of how to get consensus at the UN, or did we go without the UN, easy in the

question of Iraq invading Kuwait because it was invading a sovereign country. This a much more diffuse, difficult situation. So we were plowing new ground here. To this day, I am in touch with some of these people; I understand their frustrations. Similar to when I was on the UK desk, we also had to be careful. I remember, it got so busy that we were operating, assistants to the undersecretary had to operate independently. He could not possibly approve or disapprove of everything we did. He was in meetings all day. So I decided it would be really intelligent to task, INR, intelligence and research, to do a paper, and the theme of the paper would be to examine whether if we could do one thing militarily in forms of military assistance to help the Bosnians, what would that be the one thing we could do that would actually allow them to defend themselves. So they started churning away on this paper, eventually told my boss they were working on it. He was horrified because I was ahead of policy. There was no policy that we were helping the Bosnians militarily. At this point there was an embargo on arms assistance that was applied equally to both sides.

Q: In retrospect it was basically criminal, because the Serbs had all the weapons—

MALLOY: Had all the weapons.

Q: They needed, and what we were doing was depriving the Bosnians of weapons in order to show we had an embargo on all weapons, which was disarming the victim.

MALLOY: And actually the single toughest meeting, official bilat (bilateral) meeting I ever attended was about that when Haris Silajdžić flew to the United States to make one last appeal to the U.S. government to provide arms to the Bosnians. He is now the leader of Bosnia. But at that time he was not. He came and met with my boss, Under Secretary Arnie Kantor, and we had an official luncheon on the seventh floor in one of the official dining rooms. He walked in; my boss walked in; my boss invited him to sit down at the lunch and Silajdžić said to the effect, "This may be a very short meeting. I have one question for you." We tried to have our normal discussion and he said, "No. I have one question, Will you give us arms?" My boss made a diplomatic attempt to explain to him why the U.S. government could not do that but Silajdžić interrupted and said, "This is a yes or no question." And my boss had to say, "No," and Silajdžić said, "Okay," stood up, walked away. That was the end. Never even got to the first course of the luncheon. Very painful but at that point we, the State Department, had no leeway.

Q: Well, did you feel, I mean I realize you were at some removed our military, this is sort of Colin Powell and the Colin Powell doctrine and all that, did you feel the military was, Pentagon was saying no, we're not going to get involved?

MALLOY: Every time the issue was raised in a deputies committee meeting or some other context, their answer was, "What is the exit plan?" In other words, define your goal and tell us what it will look like to meet your goal and how we will get out. They would point out World War Two and even the Nazis were never able to take full control of this region, Montenegro in particular. They would point out the geographic problems of how you would actually conduct an operation, where you would need to land from the sea and

where you would need to move. They were asking really good practical questions, but it was clear that they felt that the diplomats were trying to drop it all on their laps and then wash their hands of it.

Q: Yeah, on the other side again going back to some of the interviews I've had saying that the military says, "Sure we can do this but we'll need 500,000 troops." In other words saying they would put it in terms that were unacceptable. That's how, so—

MALLOY: Yes. Though in hindsight I think they were probably correct because the Powell doctrine is that if you go in and you go in with overwhelming force so you are not challenged. With the history of this region and the other issue that was evolving at this point was the whole idea of peacekeeping versus peacemaking. We were asking the Pentagon to send in peacekeepers. They quite rightly said there is no peace to keep. Peacekeepers get to stand by and watch, as the poor Dutch UN peacekeepers had to do in Srebrenica. We do not, we are not allowed, our mandate, rules of engagement do not allow to use our force to protect the people. They, the U.S. military, were unwilling to get into that. So if you were asking them to make peace, they really did need those numbers.

Q: Also the UN proved to be an extremely weak read. They—

MALLOY: Rules of engagement in the UN at that time, they did what they were supposed to do and what they were empowered to do. They were empowered to report back to the UN. They were not empowered to get in between the aggressor and the people being attacked. Again, lots of these things were new.

Q: Oh no, it's a fascinating time to take a look at how things evolved. Even when the Bush II administration came in, they were talking about they weren't going to be getting into nation building and all. I mean they had taken the lesson, which is essentially a pretty successful lesson of what happened in Bosnia. This wasn't perfect, but it did stop the killing.

MALLOY: Temporarily.

Q: Tended to denigrate it and say we're not going to get into peacemaking. Then of course we end up in Iraq we're—

MALLOY: Well but some things came out of this that were very, very good. For example, subsequently we developed a train and equip program for the Bosnians. That was the first time that we accepted that if we were going to leave a lasting peace that we had to help grow a capable military who could sustain that peace, the Bosnian military. That involved not just selling equipment to the Bosnian government, as we do in many countries around the world, but actually training their military. It gave us an opportunity to instill some of our liberal democratic philosophies such as the military always being under civilian control, and also gave us an opportunity to sort out nefarious elements. An issue the whole time was that there were many insurgents from Muslim countries around the world who felt called to defend these attacks against Bosnians, and it was not be in

the interest of Western Europe or the United States to have these third country elements take root in Bosnia. So that was an issue that we were grappling with throughout this. It was very, very delicate.

At the same time we were working on the G8, and this was to have been a key subject for the G8 summit at the end of this year in Munich. At each of the meetings with the political directors and they have seven or eight preliminary meetings in the country that is hosting, that year it was Germany. So Arnie Kantor and I were flying back and forth to Germany on the weekend, then working all week in the State Department, then flying to Germany to attend another G8 political political directors meeting on the weekend, and then on Monday being back at our desks in Washington. I was able to see the British, French, Italian, German, Japanese, Canadian, and EU's perspective on Bosnia in these meetings. There was still just a lot of talk going on. It was frustrating.

Q: There is the old story about Henry Kissinger was coming up with some policy, and somebody said, "Well, have you checked with the Europe yet?" He said, "What telephone number should I use?" In other words there was no real Europe. I mean did you find as a political operative, a foreign service person, did you get a feeling of almost a dismissal of Europe as an entity.

MALLOY: No, can not do that. Incredibly important to us, but it is a bit like shadow boxing because where we can talk very effectively individual members of the EU such as the British, there was no EU to talk to. There was an EU in a trade sense, in a standard sense, but there was no foreign and security policy element that could speak for all the EU members. They had not yet decided to submit to that central authority. It is coming along now with Solana, but it was not there at the time.

Q: Solana being the secretary general.

MALLOY: Of the security and foreign policy leg of the European Union. It was difficult because we would in our conversations, let us say, with the British political director get a very clear idea of his view, but that might not be reflected in the group discussions because then he would be with the French, the Germans and the Italians who might have a different view. The Italians would have liked the G7 process to focus much more on the Mediterranean and Northern African issues of concern to them. The French would take a position that the G7 was a gathering of individual countries, not an entity in itself. In other words the G7 could not speak with one voice. So any time we would propose that the G7 issue some useful prodding statement on Bosnia, the French would demure and say no. Individually the members could say whatever they wanted, but as an entity we were just here to talk. So it made it very, very frustrating. As Americans we are driven to quick action. We do not want to stop and look at the thousand-year history as the Europeans may want to do. And they are quite right. If you do not study the history you will repeat the mistakes but culturally it was very difficult. And the poor Japanese would be sitting on the edge, so it was our job to draw them into this discussion and make sure their equities were covered. For instance the Europeans would suggest that rather than deal with something in the G7, it would be dealt with at the UN Security Council. That in

effect excluded the Japanese because they are not on the Security Council. They are only in the G7. So if you would not play there, you were keeping them out. So we would work to keep them in.

Q: Okay, well let's turn to, let's see. This is what years were we talking about?

MALLOY: We are now in 1993. Let's see, '90-92, '92 to '93.

Q: Okay so we're talking about Russia at this point. I think '92 was the year Russia, I mean the Soviet Union--.

MALLOY: '91.

Q: Okay. So we're talking about Russia. How from your work, how are we dealing with Russia and obviously the breakup and the various nationalities and all?

MALLOY: Umm, we were going through a difficult process at that point. We were so used to dealing with the government of the Soviet Union as perhaps our toughest adversary in the Cold War and all of a sudden the geography and the landscape of our adversary changed completely. There was no more Soviet government. We had a Russian government that was inherently unstable. We had all of a sudden a complex multitude of many new governments, the republics that came out of the former Soviet Union. The key issues were securing loose nukes, nuclear material, getting those republics that ended up with weapons of mass destruction on their soil and therefore owning them at the breakup of the Soviet Union. That would be Belorussia, Ukraine, and Kazakhstan to agree to give those up, send them all back to Russia. We were dealing with the financial crash and burn of the Russian economy that impoverished people, the need to provide assistance to that government. So much was going on at that macro level that there was no time to focus on micro--micro being the fighting in Tajikistan, civil war breaking out in Moldova and Georgia and a lot of the conflicts that we are dealing with now. It was perfectly natural for the people of the former Soviet Union to want to create more logical borders. The Soviets had actually constructed the borders of the republics to separate ethnic groups, not to bring them together. So it was natural for people to say well, there is a large group of Uzbeks living across the border in Kyrgyzstan why don't we redraw the borders. The United States government took the position, as did Moscow, that existing borders should just stay the way they were because to start tinkering would—

Q: We faced that a long time ago in Africa. I mean after we just, the idea of changing the borders just meant complete chaos. It's a horrible solution, but it's the lesser.

MALLOY: But if you are living in the southern half of Kyrgyzstan in the second largest city Osh and you want to go to the third largest city Jalalabad and you have to enter Uzbekistan and drive for 20 or 30 minutes and then exit Uzbekistan to get to Jalalabad, you get grumpy about that. But there were all these things cropping up that in a perfect world if the United States had focused earlier, if the OSCE (Organization for Security and Co-operation in Europe) had been a stronger entity, if the European Union had had

more foresight in these areas maybe we could have avoided. But we were running as fast as we could to deal with the Russians and the missiles and all these things at that point in time. I cannot say that aside from the Tajikistan desk officer for example they got all the time and energy that they deserved because they were competing with Somalia and Bosnia and a couple of other biggies.

Q: Did, was it during this time when the decision was made not to ask for more money for our various embassies and in all in these countries?

MALLOY: I cannot speak to that. It was not conventional wisdom but I do not have any—

Q: It wasn't part of your—

MALLOY: No, and that was actually before. We moved out and started setting up embassies I guess it would in '91, '92 so when I was on the UK desk we were struggling with this and many of my colleagues from embassy Moscow ended up going out and opening embassies in these countries.

Q: Did, was there any discussion that you were privy to or something about whither Russia because I was just this morning interviewing Bob Pearson who was talking about, he was the executive secretariat when George Bush made, became known as the Chicken Kiev speech, which is basically we wanted to see the Ukraine staying within Russia at that time. Were we looking at it from a strategic point of view of keeping a bigger Russia or not or had we, had did we stand on all these different republics?

MALLOY: That again predates my time up on P staff because that had all come to pass by that point. But our view was one of how do we minimize the national security threat to the United States. That was the driving factor. Ukraine being in possession of nuclear missiles, bombers, submarine bases, the feeling was that it should be controlled and not allowed to spin out of control. I do not know that there was ever a policy that Ukraine should remain with Russia.

Q: No, looking at it from a practical thing I would think that it would be a strategic importance to us to keep Ukraine out because with Ukraine out of the Russian mix, Russia just can't be a dominate power in there or the--.

MALLOY: They have managed to be a dominate power quite nicely.

Q: But still, you know, they're not bordering, I mean—

MALLOY: The funny thing is that the Russians figured out a couple years into all of this process that they could have just as much clout, just as much power by controlling the economic levers. The nice thing is they no longer had to pay the bills for social safety networks. They did not have to pay for the medical system, the education system. They got the power that they wanted without the responsibility. They very effectively used the

tool of the "near abroad." Ethnic Russians in the near abroad. They claimed to have had a consular duty to care for their brethren Russians in Abkhazia, for example. They stated that they did not want to have a negative impact on the territorial integrity of Georgia—same thing in the Ukraine. At the time of the breakup I think they were shocked and horrified. But it did not take them all that long to realize that there was a certain advantage to controlling the gas supply, the oil supply, and you also have to keep in mind that when the Soviet Union broke up conventional wisdom was that if an asset was on your soil at the time of the breakup, you owned it. So that is why whatever Aeroflot planes happened to be on the ground at Kiev airport all of a sudden became part of the government of Ukraine's air fleet. But that also meant that industrial enterprises became Ukraine's. But in actuality what happened is the debts of these enterprises became Ukraine's. The product was already in Russia. What the Russians did was to say, "Okay, you can have that empty factory and by the way that factory owes us Russians millions and millions of rubles which you now have to pay." They had the economic power. None of the republics could stand up to it.

Q: Arnie Kanter, what how, what's his background and—

MALLOY: Arms control.

Q: And how did he work? How did you find him?

MALLOY: Wonderful man. Arnie Kanter personally is a Democrat who was serving a Republican administration. He had been in and out of government in many different iterations, almost always in arms control. He used to come through Moscow when I was serving there. He was a member of various delegations, Baker's delegations. And then he was appointed when Bob Kimmitt left as Undersecretary for Political Affairs. He has terrifically sharp mind, and is a really, really good natural diplomat. He honestly cared about the people who worked for him. It was truly refreshing to work for him. He has struggled in recent years with some serious health problems. Hopefully he is on the road to recovery. But he went off after George Bush lost the election—do I have my timing right. He left in '93 and Peter Tarnoff took over as Undersecretary. Arnie went to work for Brent Scowcroft's group, where he still is. He made it easy to put up with the long hours. He made it easy to take a risk. If you were trying to do the right thing and you goofed, he would support you. All of the difficulty of working for a Dick Holbrook or a Bob Gelbard or even a Bob Kimmitt was not there with him. Since I was always on a learning curve, I do not think I would have survived with one of those other people. But Arnie worked with me, and eventually I got him what he needed and learned how he wanted the job done.

Q: This whole experience you really have a crash course in the place of our greatest focal interests. That was Europe particularly some of the crises as in Bosnia, as in arms control and with Russia.

MALLOY: We all did. Harry Thomas had the Africa account and he was working the same hours that I was only his theme was Somalia. Bob Blake had the Middle East, which of course was—

Q: Sometimes there's a problem there.

MALLOY: Yes, yes. Every single person on P staff was run off their feet.

Q: Is that's why it's only a year.

MALLOY: That's why it is only a year.

Q: To me it's interesting that they actually adhere to that because there's a tendency to get somebody in. I've been interviewing Jerry Bremer and he worked for Kissinger and then he stayed on and ended up working for three different secretaries of state.

MALLOY: It depends, but people would burn out to the point where you were either barely coherent or you were talking your own language. I mean, moving so quickly. I do not think anybody could keep up with me even when I was home with family. You cannot stop moving at that pace, you really have to move on after a year.

Q: Okay, all this, you really were, talk a bit about home. You have kids. How did this work?

MALLOY: I would go a week at a time without seeing my kids awake. It was dark when I would leave in the morning; it would be dark when I got home at night. They would be asleep. I would come home, and if I was lucky, my husband would have left me a plate of food in the fridge and I would microwave it, eat it and catch a few hours of sleep. Often I was woken up a couple of times in the night by the State Department's operation center calling to report this or that important thing. I remember actually quite a while after I left the P staff getting a three a.m. phone call from the operation center about some development in Bosnia. I said, "That's very interesting. But I no longer work on P staff. I suggest you call the actual P staff." They were horrified, of course. I had to have this new telephone put in my bedroom so I could get up on the middle of the night and take classified phone calls. I, however, am not terrifically coherent at three in the morning. I do not wake up easily. It was all part of the reason why this was a one-year job. You cannot do personal travel on weekends. You cannot visit your family. Extended family had to accept that even though I was finally based in the United States, they still could not see me.

Q: So much for the Eastern Shore.

MALLOY: Yes. It was very, very hard. I had a daughter in high school and a husband trying to cope with two kids, and we had a preschooler. So it was not easy.

Q: Well, it's probably a good place to stop, but you left this job in '93.

MALLOY: Yes. You bid on your onward assignment a year in advance. So I was actually from the time I started the job already having to bid on my onward assignment. I had brokered an onward assignment to take over for David Satterfield as head of the "line", euphemistically the line is the Secretariat staff and I was supposed to move over in the summer of '93. But because of the U.S. Presidential elections all the players changed. President Bush lost the election. A new group came in, a new party, and there was a change in my immediate boss. As of January 20, Arnie Kanter walked out the door, and Peter Tarnoff walked in. There was also a change in the Executive Secretary, the person who controls the job I was supposedly moving into. Bob Pearson left and Marc Grossman came on board. I spent a good part of my time in uncertainty as to whether I was actually going to get that job. In the end I did leave P staff a few months early, I think it was probably around March. Peter Tarnoff had very different ideas about how P staff should perform. The group that came in had very different ideas. There was this myth that seventh floor staff members were actually running policy more than they should, and they felt that we should step back and let the Assistant Secretaries on the sixth floor run policy. A number of changes, in the end I decided it was time to move on and I did.

Q: Well, how did you feel about that charge? Did you feel that the assistant secretaries were somewhat out of the loop of policy?

MALLOY: No, quite the opposite. My boss Arnie Kanter would look to the Assistant Secretaries to keep him informed but more importantly to come up with ideas, policy suggestions. In other words he did not want them to simply tell him there was a crisis breaking out in Tajikistan, but also he wanted them to suggest what should be done. The reality was that most of the time we would be get either a cable from the post or a memo from the Assistant Secretary telling us there was a problem. Then I would need to send a tasker down asking that they develop a memo with options telling us what they thought the U.S. government should do. Arnie felt that such proposals should come up from the regional bureaus without prompting. They knew much more than he did about the details and specifics. He was more plugged into the Washington process.

But when the new administration took over, we were actually excluded from meetings. We were told for instance we were no longer welcome to attend the EUR (Bureau of European and Canadian Affairs) staff meetings. Well, how can a staffer know what is going on if you are not attending the staff meetings? Also Peter Tarnoff did not regard his P staffers as necessarily his prime source of information. In other words he had his own contacts. And what brought this home to me was after all these months of carrying briefing books for Arnie Kanter's deputy committee meetings and Arnie would come back sometimes late in the evening, and tell me what decisions had been made or what we needed to tee up for the next meeting. Then it was my task to prepare the book to equip him to deal with those issues at the next meeting. I did the first book for Peter Tarnoff participation in his first deputies committee meeting on Bosnia. He went over to the White House, and I waited well into the evening for him to come back and was astounded at how long this meeting went on. Finally, because we were all sitting there waiting for him, we called around and called his driver, and we were told that he had

actually returned to the building hours before. He came back, went directly into the Secretary's office to provide a briefing, and then he went home.

Q: Secretary was—

MALLOY: Would've been Warren Christopher.

Q: Warren Christopher.

MALLOY: And got in his car and went home. So now my job was to prepare for the subsequent day's deputy's committee meeting but I had no idea what the results were form this one. So gradually the seventh floor staffers got more and more out of the loop, and it became a self-fulfilling prophesy that we were not right on the policy edge. Because I was leaving in a matter of months, I was not anxious to stay. My other responsibility was the G7 note taker function. Peter brought his own special assistant who had been on the staff of the Council for Foreign Relations up in New York, I think. She came in and became his senior staffer. We all needed to report to her, which was fine. But then when the first G-7 political director's meeting came up. This year the G-7 Summit was in Japan. I was told that he would only travel with her. He would not travel with me and that she was to be the G7 note taker and I was to teach her how to do that. So I spent a couple of months working with her. I had to explain the basics, such as the name of the French foreign ministry is *Quai D'Orsay*. She performed the travel but returned without notes. There was nothing from these meetings to feed into the system so that the desk officers and other program managers knew the direction the political directors were taking on key issues. It just seemed to me a good time to move on.

Q: Well, I mean did you feel—it sounds like this was, was this, was there a hostile feeling or was it just a different way of doing things.

MALLOY: Hostile. Hostile.

Q: It's odd, isn't it? I mean because Tarnoff was a foreign service officer.

MALLOY: It was odd, but we were also viewed as hangovers from the Bush administration. I remember early on when he needed to get read in to Bosnia as an issue, I went to him and said because we eventually did do the INR (Bureau of Intelligence and Research) paper on if we could give them (the Bosnians) any one piece of military equipment, what would it be? I said, "You know I hear through the grapevine that the Deputies Committee is thinking of knocking this about. You should know we've already done this and I have this paper I can give you." The answer was "we have no interest in anything that was done for the Bush administration."

Q: All right.

MALLOY: Did not even want to read it. At that point I had no value in that job, and Dave Satterfield needed to move on to his next assignment. I went and talked to Marc

Grossman, and he seemed happy to have me continue with the assignment as Director of the Secretariat Staff though he would have had the power to break it had he wanted to do so. We all agreed it was a good idea to have me move over then. So I did.

Q: Okay, so we'll pick this up in '93 when you are, what, back on the—

MALLOY: And now, I literally walk across the hallway. I was still on the seventh floor but I was now in charge of the Secretariat Staff. They have two functions. One, to advance and support the travel of the Secretary of State and the Deputy Secretary. And subsequently the U.S. Ambassador to the UN, Madeline Albright, got added to that short list. Two, to control the paper flow to all of the seventh floor principals.

Q: So we'll pick this up then.

MALLOY: Okay.

Q: Great.

Q: Today is the 19th of May, 2009, with Eileen Malloy. And so Eileen, we're at- you're in the Secretariat in '93?

MALLOY: Nineteen ninety-three, yes.

Q: And so, what you got is a brand new administration coming in, and this always- What was- We probably picked up some of this but what was your impression? Was this a- President Clinton did not come in with much foreign policy, in the way of foreign policy credentials and it was a campaign that had been based on the economy and all. How did you find sort of this administration facing the foreign policy? I mean, at your level?

MALLOY: Well when I made the move to this job it would be about May so they had been in place since January, they had already been on the ground, still trying to fill a lot of positions. As we see now in the Obama Administration, it takes a long time to select nominees and get people in place. So not all jobs were filled but key jobs were filled and they did bring back a certain number of people with strong foreign policy experience, such as Peter Tarnoff, who became Undersecretary for Political Affairs. And they were also getting advice from a number of foreign policy specialists so it was not like they were totally in the void. But what they were experiencing at this time period is how some of the campaign issues, the campaign foreign policy issues, and Bosnia being perhaps the most important one, might come back to haunt them. During the political campaign, if I remember correctly, Bill Clinton had been promising more muscular action to protect the Bosnian people and now that he was running the Administration, of course, there was an expectation that he would follow through on this. Once they were running the government all the reasons why that would not be so easy and was such a difficult thing to do became clear. There was a certain amount of spinning on that and as any time you have lots of new people coming together there was jockeying for power and position and dominance. It was the first time that I got to see that on a broad scale and I, at that point,

had no basis of comparison and did not know whether it was worse than other administration changeovers but it was pretty messy for awhile.

The reason that the job I was filling was exposed to this is it was the crossing point for everything going up to all these players. In the State Department your power is defined by your access to information, if that makes sense, and all these new players wanted an opportunity to know everything that was going up to the Secretary of State. We call that paper, whether it was cable traffic or, more importantly, internal memos, actual memos saying that the Secretary should approve this or disapprove that or should incorporate such and such talking points or whatever. And it was this office's job to make sure the right people got distribution. And what was astounding was we had to share with virtually every player, no matter how esoteric their interest might be as measured against the item at hand, copies of these things. So if a memo went to the Secretary copies would go to 40, 50, 60 different people automatically. And so if you can imagine the volume of paper, the most mundane paper being spread around.

Q: Was there any attempt to control this or were you; did you have anything to do with who gets the paper?

MALLOY: Yes. It was- The people that worked for me, it was their job to look at each piece of paper and make sure that it was well done, that it was worthy of going to the Secretary, in a mechanical sense. You know, that it made sense, it was spell checked, but also to make sure it had been cleared by the right people, and this is where the bottleneck came up. And I think in an earlier session when I was UK desk officer I mentioned that memos that I would send to the Secretary sometimes needed 90 plus people to clear. You can imagine the amount of time before email clearances, when these had to be walked around. The bottlenecks that were created in the information flow going up were awful. It also gave all these people a chance to insert their point of view or to insert talking points on their specific topic into proposed talking points so that the Secretary would be given a lengthy memo with far more talking points than could ever be accomplished in the meetings. Bilateral meetings tend to be scheduled for 30 or 45 minutes, each player gets half, sometimes with translation that means you have time for a quarter of that to make talking points. And so if you have five or six different principals each submitting a full page of points, it does not get done. My office was the one that controlled the actual paper flow to the Secretary and we had to broker all these arguments about who needed to clear on what.

Fortunately, new Executive Secretary Marc Grossman is a pretty pragmatic guy and he charged me with getting this under control, not in the sense that he wanted me to go to an Undersecretary and tell him or her that he or she would no longer have the right to clear. But rather he charged me to come up with systems to streamline all this and make sure that the right people got the information that they needed. And so what we did was we gradually introduced some changes to this massive paperwork beast and it created a certain amount of angst. If people were no longer getting a chance to clear on something that they felt that they should have, that was the first step, and the second step was they may not even get a drop copy of it. There were different stages; one, you get to fiddle

with it before it goes to the Secretary and then at later stages you were on the outer edge, perhaps you would just get a copy of what went to the Secretary.

But going back to what I said, power in the State Department is access to information.

Q: Well, we have- In an interview I did with Patt Derian, who was the queen of human rights in the Clinton Administration, she had no experience in the State Department or anything else but was given the human rights portfolio, sort of as a handoff, not particularly important, and she dug her heels in and would clear documents and things of this- she'd get it- and she did have, everybody knew she was close to Jimmy Carter and all so they were afraid of her and she used this really to put human rights on the- in the very reluctant lap of the State Department, which didn't want to touch it with a 10 foot pole in most places. I mean, this was real, a real use of power by somebody.

MALLOY: I am a believer in having these checks and balances in the system. An Administration chooses where they are going to make a commitment and they make that commitment and they bring in the people who will make sure that the Administration's preferences, priorities are carried out throughout the government. As you know, Civil Service employees, Foreign Service officers, we are not fired with the change of Administration, we carry on. In theory, we serve whatever Administration is in the White House. The reality is that everybody has their personal preferences and also those of us that have been through many, many changes of Administration realize how short-lived some of these things are, we tend to have a broader view. So I am not at all opposed to an Administration bringing someone in like that, somebody who is a champion; that is the only way to get anything done. The difficulty and where the process gets bollixed up is they tend to feel that their parochial issue and I do not mean that in a disparaging sense, but the issue that they are there to represent is the single most important issue. And the time that a Secretary of State has to actually introduce issues is incredibly limited. If you look at President Obama's recent interactions and the few things that he has chosen to raise with world leaders, the impact of that is something you do not want to squander by trying to get a high-level person to carry water that can really be done more effectively at a lower level. Because the minute they start raising peripheral issues it undermines their authority. I have seen this happen a lot, even with- when I traveled with the Secretary of State or I traveled with the Secretary of Energy or other high ranking leaders and their interlocutors started raising what one of my bosses called "Mickey Mouse issues;" they walk out of a meeting asking me "what was with this person? Why were they raising these Mickey Mouse issues? Why were they wasting my time?" It was our job to try and mediate between all of this.

The other thing that people who were new to the State Department did not seem to realize is that the material that they crafted very, very carefully and insisted that we use, exactly their language, would run through many, many filters. First of all, there would be senior staff to the Secretary who ultimately would decide what the Secretary of State used in the meeting. Secondly, quite often these meetings are with interlocutors who do not speak English and there is an interpreter who is going to change the language. So arguing about the construction of a specific sentence is really not important. The material that the Secretary needs is something that conveys the end goal, says what are we trying to

accomplish, not a specific set of talking points. And so again, it was our job to do that with press guidance.

One of the things I learned in this time period is that you take the draft press guidance that came up from the desk and you flipped it on its head because the very last paragraph was usually the clear expression of our goal. It was the bottom line, the "if asked" or "if pressed" paragraph. My job also involved reviewing who had cleared the draft text. It was our job, if something came up and it had not been properly cleared, to bounce it back to make sure that things did not go up to the Secretary that were not properly cleared. I had to look at how we were doing that, I had to look at who we were sharing the information with and what we were sharing. And then I also had to look at my own staff because they did a certain amount of reworking and to get them to focus more, not just on fixing the typos but rather, when necessary, recasting. That was heresy because it had all been cleared by these people who felt that it could not be touched once it had been cleared by them. I give Marc Grossman a lot of credit for empowering me to do that, and we did some very, very basic but positive things.

For instance, most people are unaware of the volume of paper that has to be signed off by the Secretary. You could have a 50 page document that was a legal explanation for why the State Department should agree to recommend to the White House that some art collection a foreign government wants to loan to a museum in the United States for display be protected against lawsuits. It is a basic requirement; no government would do this without such protection. The action memo has to go to the lawyers and there has to be some sense that there was nothing in proposed collection that was subject to lawsuits or some other form of litigation. Anyway, it is a very complex process but really all the Secretary needs to understand is that the right people have looked at it and reached the right conclusions so the Secretary could sign off on this. But every one of those 40 or 50 page documents would then end up being distributed to this list of 45 people on the seventh floor, so if you think of all the paper, all those trees going to waste.

So one simple thing we did is we started distributing only the front page of lengthy documents and we put a little stamp on the back of that one page indicating that if the recipient had any interest in reading the rest of this document they could let us know; we would happily give it to them. We never, ever had a request for the full document and we just saved massive amounts of photocopying and distribution time not to mention saving trees. We did some very mechanical things but we were also looking at the text, trying to make everything more informational; this is our goal, these are the points we need you to make, and less wordsmithing, if that makes sense.

We also tried to streamline the process of supporting the Secretary's travel. Did you need to have this great gaggle of people who went everywhere? How could we be more efficient, more cost effective? We did a lot of work on that. It was a very busy year.

One of my regrets in that year is right as I was coming in to the office the existing deputy, Margaret Scobey, was rotating out and we did not get to work together for very long. She has gone on to become an ambassador several times over, again, a Middle Eastern

specialist like David Satterfield, my predecessor on the Line. Then John Beyrle was supposed to come in and be the new deputy. I was eagerly awaiting John who was a Soviet affairs, Russian affairs person like myself, as we were quite busy. John showed up on day one and said "good news, I'm here, bad news is I'm actually leaving at the end of the week to go work for Condi Rice at the NSC". And, of course, John has gone on to do great and wonderful things and is now our ambassador in Moscow. It worked very, very well for him but I was sorry to lose him. Then I had another gap in the deputy position until John was replaced by Wanda Nesmith, who did a wonderful job. She has gone on, had multiple ambassadorships. So I was very well served in the year that I was there. I was actually only there for one year.

Q: Well did you have any, you know, looking for- get involved one way or another, clashes of personality or-

MALLOY: Absolutely.

Q: -power things? Can you think of any sort of ones that are seared in your soul?

MALLOY: Well most of those you would not want to publish.

Q: Why not?

MALLOY: One of the more difficult things was at this time period Madeleine Albright was brought on to be our permanent representative at the UN or what some people euphemistically call our ambassador to the UN. And it was not that unusual, obviously we always have a perm rep at the UN but she was given cabinet level status and yet that position did not have an agency here in Washington to support it. So the natural decision was that she would be supported out of the State Department. If you can imagine, you have a Secretary of Energy with the Department of Energy and Secretary of Commerce in the Department of Commerce, on and on and on, but here you have a cabinet level person with nothing below her other than her staff in New York and a small residual staff here in the State Department. And her senior assistant deputy was Elaine Shocas, who-

Q: Who?

MALLOY: Elaine Shocas.

Q: Shocas.

MALLOY: And so Marc Grossman came to me and said it was really important that we establish this properly and give Ambassador Albright the proper level of support. He charged me personally with helping integrate them into the building. And because there was a power struggle, there is always a power struggle between the Assistant Secretary for International Organizations and the perm rep to the UN, and quite often between the perm rep and the Undersecretary for Political Affairs or whatever the issue of the moment was, there is a certain amount of jockeying that goes on. We worked very, very hard to

make sure that Ambassador Albright's office was treated as an equal to the undersecretaries or deputy secretary in terms of support, and what that meant is that when she traveled I had to put together, not personally but my staff, briefing books and also, on occasion, to assign someone to travel with them to act as an advance and do different things. And this was a little dicey. I personally never had any conflicts with them, we got along very well, and I think it was a very good thing that we did treat them well because subsequently Madeleine Albright came back as Secretary of State so had she not had a good experience then things might have been tougher. But most of the battles were taking place at that point among the undersecretaries and their relationships with the assistant secretaries. And the job that I was in at that moment moved me off sides to that, fortunately. I did not have to get into this.

In this period Strobe Talbott had been brought on as the new Russia, former Soviet czar, and he was running the office for newly independent states but he was about to transition to being the Deputy Secretary. This was causing a certain amount of realignments in all of our work. And at that point I got a phone call from an old friend from my time in Moscow. He said that they wanted to put my name on the short list to be ambassador to the Kyrgyz Republic. I was newly promoted into the Senior Foreign Service so I said sure. You know, I was quite used to being asked to be on lists and most of the time I assumed that I was there as the token female and that someone else would get the job. I supplied the requisite material and on and on and then you can imagine my surprise when I was invited down the hallway to meet with Strobe Talbott. I was told that I was his candidate for this job but he first wanted to talk with me. And that was when it became much more of a real possibility than I had thought it would be. I gathered whatever material there was at that moment on the Kyrgyz Republic, which consisted of a cable done to justify hardship pay for the officers serving there. There was no post report, there was nothing descriptive. We had only been in operation two years on the ground. The material was fairly horrifying, it was all designed to justify hardship pay so it discussed disease and wild dogs running in the streets and the terrible housing and-

Q: These post reports were not going for decades but the whole idea is this is how I can get some extra money so you're not going to talk about, you know, the thermal baths or the beautiful scenery or the good food, if it's there.

MALLOY: Well yes. I mean, again it is a question of balance, checks and balances. There is something that describes a brutal reality, the hardships and difficulties and the dangers of serving at a particular place and then there is a separate report called "post report" that is there to give potential bidders on these jobs a sense of all the good things about a post. You have to read both of these documents to get a balanced picture but if you only have that negative-

So I brought that cable home and gave it to my husband and told him that they were asking me if I would do this. I would not be able to repeat his exact words in response but it was really a question asking me if I seriously wanted to take our four year old child to this place where there was no school, no health care, no effective police force, no support, no international airlines. He was not really thrilled about this. We had gone

through previous assignments in very tough places and it was no- he is a very hearty guy so the fact that he thought this was not a good idea brought me up short. I sent a note to the person who had originally asked me to put my name on the short list and told him that I needed to tell Strobe that while I really appreciated the offer I just could not do this. The answer I got was that my proposed response "was the wrong answer", and I should be aware that Strobe was about to move over and become Deputy of the Department. Obviously it was not wise to alienate the new Deputy Secretary. So I went home and talked to my husband again and we agreed that we would accept this challenge. Probably was the best decision of my life but I have to say it was one of the scariest. The last few months of the year I was Director of the Secretariat staff became all embroiled with the whole process of preparing for this ambassadorial nomination and that-

Q: Before we get that could you get- how involved were you with the secretary, the secretary being Warren Christopher at the time?

MALLOY: Very little face to face interaction. I- In this time period, my job meant that I served as a deputy executive secretary when one of the deputy executive secretaries would be traveling. We did this on a rotational basis and Glyn Davies, who was running the operations center, would do the same. So, because the Secretary would be traveling so much, one or the other of us was almost always up there acting as a Deputy Executive Secretary and that meant I was up in that office when the Secretary was away so I did not have all that much face to face interaction with him. Rather I would be, as deputy executive secretary, helping to run the shop and keep all the business that was not related to the trip that the Secretary was on at that moment, going and interfacing with the deputy who was on the road with the Secretary. And then my staff from the Line would be the support people on the road; there would be one group on the plane and one group traveling in advance. I was very involved in the travel but not interacting face to face with the Secretary.

We would also do weekend duty and perhaps the most memorable was the weekend duty. Friday nights are the worst in the State Department. Everybody finally decides to complete their tasks and hand it in by close of business Friday, which means it all lands in the deputy executive secretary's in box about 11:00 PM or midnight Friday night. You have to make sure it was all done properly so you do not get out of there until really, really late. Then you have to be back there very early Saturday morning. One Saturday morning I was hoping for a quiet day because I was exhausted. Marc Grossman walked in and told me that I would need to stay in the office all day instead of leaving when the paperwork was finished. He explained that he and Beth Jones -- Beth Jones at that point was the senior advisor- special assistant to the Secretary--were going to get on a plane and fly up to Kennebunk to tell former President Bush that there was going to be an attack on Iraq. President Clinton had decided to approve this military action as a response to a threat made on former President Bush's life when he had visited Iraq. This must be '93 or it could be very early '94 because that time period-

But anyway, President Clinton was wanted to make sure that former President Bush knew about it before it hit the press. So they were leaving me there on my own and I could not

tell my staff or anybody around there that this was going to happen because nobody was supposed to know until it came over CNN channels. So it ended up being a very stressful day because we did not know what would happen after that. Marc wanted somebody there in charge. He and Beth Jones dutifully flew up and briefed the former president. I was in the office when the attack came but the day closed uneventfully. Still it was a very tense day for me because I could not tell any of the people around me what was going on.

But my direct interaction with Warren Christopher was extremely limited.

Q: Did you, either yourself or from your colleagues around, I mean, you're there, I mean, I've talked to people who dealt with Christopher and I was well out of the Foreign Service by that time, I got the feeling that this was not- this was the man who sort of thought himself as the president's international lawyer as opposed to being a leader in foreign policy or something. Did you get any feeling on that?

MALLOY: He was a lovely gentleman, quiet, firm. I really can not speak to your question. I mean, I did not see him exhibiting the sort of hard charging, I am in charge, Alexander Haig kind of- I never saw that. But he surrounded himself with people who had some real class and knew what they were doing and he seemed to rely on them and to trust them. I do not even have a photo with the gentleman, unfortunately. When you go out as an ambassador you have a photo with the Secretary and I dutifully had mine but he closed his eyes in the picture and they did not want to release it to me. They were never able to arrange another one and, unfortunately, this was the same period when- normally ambassadors have a photo with the President but the Clinton White House decided that that would not be done for the Foreign Service appointees, that only the presidential or political appointees would have those.

Q: The piano picture.

MALLOY: Yes, yes. And my ambassador seminar was one of the first where it was announced that only the presidential appointees were going to get up and go have their White House pictures and those of us who were State Department employees were not invited.

Q: That must have been-

MALLOY: It was unhappy. I think it affected some of the spouses more than it affected us. They were very unhappy. Eventually we were all sent a standard photo of President and Mrs. Clinton, you know the one, with a little note, "best wishes", but in my case they sent inscribed to my husband, not to me. I guess they assumed he was the ambassador so it was a little- we have different names, last names, we still have that at home, "to Jim McLachlan". I could not put that out in my office because it was not addressed to me but I did get a picture of Socks the cat.

Q: How did you find the ambassadorial preparation process?

MALLOY: I think they did a very good job for the amount of time that they were given but what bedeviled it is you get the same briefings whether you have been doing this work for 25, 30 years or when you are walking in cold. It is no where near enough for the people who are appointed by the President but have come in from the outside and it is far too general for the Foreign Service specialists. And they skate over some really, really dicey things. They get a briefing from the Office of the Inspector General in which they are told about the very common missteps that people make and how they get in trouble and who to call; if you have questions. And most people follow up on that but it was not enough and it was also not enough in understanding how policy is developed and what the role of the ambassador is. It was almost an impossible task to take that two week course and try to make everybody equal. So I am not sure how one would change it because I do not think they will ever get more than two weeks with-

Q: You know, the origin of that course is Shirley Temple when she went out to Ghana and came back and felt that you really should have a course and so she helped set it up. She had various posts, both the- she was UN ambassador.

MALLOY: Yes and then-

Q: And then Czechoslovakia and also chief of protocol. But she was the- it was her- My understanding is it was her idea.

MALLOY: One thing that we have been doing in my most recent job is try to use the Office of the Inspector General to provide guidance and support to augment that course. Many new ambassadors will swing through our office, read the old inspection reports, sit down and talk about what we see as the issues or will invite us to come inspect off cycle just to make sure that they understand whether they have got everything under control. We also do a lot of counseling when we are at an embassy as part of our normal inspection. So it has become almost a second step because now they are in the field and a lot of what they were briefed on in the ambassador seminar is much more relevant, especially in terms of interagency coordination, intelligence coordination. We go out and make sure they have got access to all of the reference materials and that they know what their role is. That was our response to the very limited material but you can not teach this job in a two week course; all you can do is say here is the sources that you would go to for more information as things come up.

Q: Well then you, did you have any problems with your hearings or were you just one of the- was there anything to it?

MALLOY: It dragged on for a long time and that had nothing to do with me personally. It was all part of battles to and fro, trying to get people confirmed. I know that we did not get to Bishkek until September and I was sworn in as ambassador in September and that was not too long-

Q: September of '94?

MALLOY: Ninety-four. So- I forget the exact date of my hearing but it would have been, I'd say, August.

There were two problems. One, I have to say, I was astounded at the information one has to provide to the White House as part of the vetting process because this is before all of the very public churns over troubled political appointees. I mean, now it is very clear to people why they are being asked all these questions but it seemed incredibly intrusive because it was not only questions about myself but about my extended family. Because my father has been married four times and these questions also applied to half siblings and step siblings, I have step siblings that I have not seen in 30 years who they wanted me to track down and get addresses. It took forever so that I found difficult. I understand; but for the record, it was not an easy thing to do. And you also have to get into finances of your children and everything which is, you know, with most Foreign Service officers you are not talking about a whole lot of money and we do not have a whole lot of conflicts of interest but you have to go through that and I understand. So that took us a long time.

The other difficulty, which was a personal one, was I had been married previously, I had been divorced since 1982, so at that point, 1994, divorced 12 years but I had a lengthy battle with my former husband and this all came up in the confirmation process. We do preparation for hearings, murder boards I guess you call them. You pretend that you are testifying and the staff from our congressional liaison will pretend to be a staffer from a Senate Foreign Relations Committee or a senator and they will throw questions at you that they have learned will come up in the hearing. I was having my murder board and things were going fine until one of them said " so, Ms. Malloy, we understand you were married before and there was this lengthy custody process and how can you assure us that you're not going to bring the U.S. Government into some kind of a messy thing in your personal life?" I almost fell on the floor. I was in total shock. I answered their question but when the murder board was over and they came up to me and said they were terribly sorry but they had learned that the senators were going to bring this up in my hearing and they wanted me to be prepared. And I was just astounded, you know, of what relevance is it?

Q: I can understand if somebody's trying to get somebody but just to sort of- run of the mill Foreign Service officer.

MALLOY: Well. Hmm. Phone calls were made by certain individuals to Senate staffers and they were reacting to this and so what happened is the staff from H – our Congressional Relations staff - had to arrange for me to go and meet with the Senate staffers and run through all of this. That was the day before the confirmation hearing and even then they would not agree not to raise it in the hearing, which of course it turns out was going to be televised. I was sharing a hearing with Dick Holbrooke and I had my family there, including my children, and so it was a very distressing- They would not say whether they would raise it or not. What was at issue is that many years before, as part of this custody battle, my ex-husband called the Office of the Inspector General and alleged that I was defrauding the government by collecting benefits for the child because, he

claimed I did not really have custody, he did. And so that created a record and even though I was found not guilty as charged, when you go before a Senate Foreign Relations committee they look at every allegation, if you have ever been accused of violating somebody's civil rights or mistreating an employee, or if you have ever, ever been accused of anything in the IG, the minute the folder is created, no matter what the outcome, it is considered fair game. So that is what I was dealing with and it was a very distressing process. Here we were going off to the ends of the earth to serve our country and all of a sudden facing this being part of the public record. And the irony was that the Senate staff involved was representing a senator who himself had been divorced a number of times, you know, and the other individual testifying for confirmation, Dick Holbrooke, had been divorced but they were not asking him any of these questions. So it was a little upsetting.

Q: Well, I mean, I don't want to get too far into this, in the first place, how old was the, would you even call it a child, the one involved by the time you were up for your hearing?

MALLOY: Oh, she was a senior in high school.

Q: I mean-

MALLOY: Custody had been resolved years before that.

Q: Yes, that's what I was thinking but-

MALLOY: Well the problem is you have these things that made the newspaper.

Q: I mean, was this just somebody had made a- was trying to cause trouble?

MALLOY: That is the way the Senate staffer explained it to me, that they had gotten phone calls from somebody saying that they should not-

Q: Well it's just astounding, isn't it?

MALLOY: Yes.

Q: Did you know this was simmering?

MALLOY: No, not until this- It just- I never would have gone down this, even considered this job if I had known this was out there.

Q: Yes. Well, this is of course the thing that- I'm sure that you're not unique in this, obviously you're not, but these hearings sometimes bring out all sorts of things that people who are sitting on the sidelines think now I'll get so and so or something.

MALLOY: Well the reason I mentioned it is that quite often the Foreign Service is accused of doing a particularly poor job of managing its employees. We are desperately

afraid to be honest in our annual performance reviews, whether it is for Civil Service employees based in Washington or Foreign Service employees. A lot of officers will say yes, it is because it is only going to hurt them down the road because the person will then file a grievance against them. No effective action will be taken against the poorly performing staff member but should the supervisor ever care to go for one of these positions the fact that somebody has filed a grievance will have to be pulled out and examined and become part of this.

Q: Sure.

MALLOY: And I have know many really good officers who have either fallen out of this process because of actions they took that were worthy and designed to do the right thing but ultimately created problems for them. And I have known some that have just intentionally never accepted jobs because of this. So it- I had never had a grievance filed against me so I never thought I would have to deal with this and I still did. But in the end they did not raise my divorce in the confirmation hearing. I was in agony the whole time because we had to sit there through an hour of Dick Holbrooke's confirmation hearing to become assistant secretary with the television lights and everything. It was hot and it was nerve wracking and when he was done three of us nominated ambassadors were done together, all going to small posts in the former Soviet Union, and it was blessedly quick. But my then four year old had exhausted her patience through the hour long Holbrooke hearing. My family was sitting in the front row and Joe Biden, who is now our Vice President, was the chair at that time. He was just absolutely lovely trying to wrap it up when my four year old announced to the entire hearing room in a great booming voice, "this is boring", and I just thought I would melt into the table. Now Vice President Biden looked at her and said "yes, Christina, we're bored too. We'll get through this as quickly as we can." I checked the other day, because I still have the transcript, to see if they put her comments in but they did not. They were kind enough to take that out of the Congressional Record at the time. But I was- It was not an easy process.

Q: Okay well you, in the first place, you're in Kyrgyzstan from when to when?

MALLOY: We arrived there in September, early September of 1994 and I was there through July of 1997. Now, when I went through the ambassadorial seminar they kept joking, because on almost everything they discussed they would turn to me and say "well you don't have to listen, Eileen, because you don't have that at your post." There was no residence yet. We were operating out of what had been a log construction building, basically a dental clinic. There was one restroom for, when I got there, 50 people, primarily guards, and a number of jerry rigged buildings where we had the consular section and the carpenter shop and the electrician shop. We had to build everything.

Q: It was an incredible place. I was there; I went, I think in, I guess '93. Ed Hurwitz, was he-?

MALLOY: Ed Hurwitz was the first ambassador.

Q: I went there as a- on a USIA grant or something and I spent three weeks in Kyrgyzstan, in Bishkek, to consult with the Kyrgyz's foreign ministry about consular affairs, because I'd written a book and I'd been a consular officer and then they wanted a consular officer out there and so I taught consular things from time to time. But I- So I worked out of that little building. My God.

MALLOY: Well, I actually, over the course of three years I had a spectacular staff, both the local staff, which was split between Kyrgyz and ethnic Russians and we had a couple Uzbek employees but not many, and American staff, and they just did wonderful things. We got money to build a fence, because people could walk right up to my window. I would be sitting at my desk where you are and there would be the public right there, they could reach in and touch me if I had the window open, so we had no protection.

Q: But you're just down the road from the, was it the KGB, weren't you?

MALLOY: Yes, we were. Yes, the ministry of the interior in former Soviet countries is the police, basically. Ann Wright was my administrative officer; she was actually a political cone officer but serving out of cone as the management officer and she-

Q: I've interviewed Ann.

MALLOY: She did a great job and she- we put together a cable about the security protection system we had at that time, which was basically the rooster that would chase people away. We finally got money to construct a metal fence at least along the sidewalk and get a little protection. And then when they finished renovating Almaty's building in Kazakhstan they had a couple construction trailers that Bureau of Overseas Building Operations had been using that they were going to dispose of. So we had them trucked down and made a two story addition to the back of that log cabin, put in a little internal staircase and effectively doubled our space. It came with restrooms so we now had three restrooms, because we were now up to 70 some people. But we also laid the groundwork to build a new building. The State Department had been prepared to build an embassy in Bishkek but could not come to closure on a specific site. The Kyrgyz wanted us to build right downtown; and they had a false start on an old building that had been a museum. We lost a couple of years because that building turned out to sit right on a fault line and was not safe. This is a- if you think California is prone to earthquakes California would be about a seven on the scale of zero to 10 and this are is a 10. Eventually after all this time was lost we had to give that building up and start all over again. So in addition to making the existing temporary structure functional and secure, Ann's job was find a new site, which we eventually did out by the airport. We went the route that everybody hates, which is to abandon the downtown and go out to green fields. That turned out to be a nightmare because there were no utilities out there, there were no transportation routes out there and negotiating for land with a well meaning government but an extremely poor one that needs revenue meant that every step along the way you were going to be asked to do all sorts of extraordinary things. For instance, we ended up having to pay to extend city utilities out to our site but then they wanted to charge us 20 percent of the cost of our construction project in a fee to the city that supposedly covered the cost of putting

utilities in there. So, of course, we were not willing to do that and they were not willing to give us approval without that. So we had to do some extraordinary things to get that done. But that probably- I do not know that you want to go into all the ins and outs of building an embassy.

Q: We'll come back to that but let's talk first Kyrgyzstan. Could you explain, I mean, it's not a name that rises automatically to a normal person who'll be reading this knowledge bank, where stood- describe Kyrgyzstan and then its place in sort of in our concept of that part of Asia.

MALLOY: We used to say it was not the end of the world but you could see it from there. It was as far as you can get in the Foreign Service without being on your way home. It took three days of travel to get there, continuous travel, and these were the days when you had to travel economy class no matter the distance. Three days on an airplane economy class and then you had a four to five hour drive depending on the time of day and the season because you had to fly into the neighboring country Kazakhstan and drive. There were no international carriers except sporadic Turkish air flights into Bishkek's airport itself. One of the former Soviet states in Central Asia, Kyrgyzstan is small and aside from Tajikistan probably the poorest in terms of resources. It did not end up with the huge natural gas and petroleum resources that Kazakhstan to its north has; it did not end up with the large unified population that Uzbekistan has. Uzbekistan also has a lot of gold, has a lot of gas. Kyrgyzstan did not end up with the huge energy resources that Turkmenistan has. So Tajikistan and Kyrgyzstan were the two mountainous land locked countries of the former Soviet Central Asian states.

The reason the U.S. Government was so interested in Kyrgyzstan was that it was the one of all of those states that stood up right from the very beginning and said they wanted to be a free market economy. They said they believed in freedom of religion, wanted to empower people. Most people in the cities of Kyrgyzstan tend to be highly educated; those in the rural areas, thanks to the Soviet education system, had a good basic education but in the cities the Kyrgyz would have doctorates, they were physicists, they were musicians, they were ballerinas, they were highly talented, intelligent people. And so they found common ground with the people who were running the U.S. Government's development assistance programs. Unfortunately, the Kyrgyz were not eligible for the Nunn-Lugar money. Nunn-Lugar money was national security money and it was meant to help anchor nuclear scientists, highly enriched uranium materials that were at risk, and to destroy delivery systems. At the breakup of the Soviet Union, even though the Kyrgyz had huge uranium mining facilities, the uranium was never enriched there; it only went up to the yellow cake stage of the process and that meant that that huge sum of Nunn-Lugar money was not available to them. What was available to them was the money from U.S. Government's development assistance program, specifically for the former Soviet Union.

I arrived there in '94. On a per capita basis we were putting more money into Kyrgyzstan than in any other former Soviet country. Subsequently Armenia overtook that but it was

President Akayev and his very, very active and able ambassador here in Washington, Rosa Otunbayeva-

Q: She was sort of the darling of the post Soviet era here in Washington.

MALLOY: She had been a protégé of Shevardnadze's in the Soviet foreign ministry so she understood how a foreign ministry would run. And she personally held those views and she had a great personality. She did not have wonderful English language skills when she started but she was so determined and she learned very quickly that the way to work Washington is at the desk officer level. A lot of ambassadors only talk at higher levels and they do not realize that it is the people who draft the policy papers who influence which countries get assistance; that comes up from the desk level. She understood that. She was a fixture all around town. Anybody who worked on and was responsible for Central Asia knew Rosa. She would walk right in and introduce herself. She worked Congress, Agriculture, State Department; she knew where all the pockets of money and assistance were. So she personally was very adept.

And then President Akayev said all the right things, made all the right appeals. He invited Vice President Gore to come and visit Kyrgyzstan. Vice President Gore did actually stop and visit in Bishkek, I think it was in '93; it was before I got there. Lots and lots of Cabinet-level officials visited there, all at the urging of Rosa Otunbayeva. So they, the Kyrgyz, were the darlings of Washington at that time.

Ed Hurwitz felt though that things were not going as well as they could, that there was backsliding. He was seeing things on the ground, as I understood it, that led him to believe that their commitment to democracy , freedom of expression, freedom of association and freedom of open media was not really as strong as Washington believed that it was.

Q: Ed was a Soviet hand.

MALLOY: Yes, yes. And at that time he had been- he was our longest serving Foreign Service officer. He had been in the Foreign Service, I forget how many years when he retired but it was close to 40, spoke Russian fluently and had spent a long, long time there. He was beginning to see signs on the ground that Kyrgyzstan was actually going down the wrong path and his transmissions to Washington indicated that. He became the squeaky wheel.

Q: Yes. People didn't want to hear this, did that?

MALLOY: No.

Q: I mean, because, you know, this is a whole bright new future with the Stans, early days.

MALLOY: The Clinton Administration was optimistic and pragmatic. What they wanted was to keep pushing these governments in the right direction. They did not want to be told simply what these governments were doing wrong, what they wanted was for an ambassador to come back to Washington with a message indicating how to push in the right direction; what the leaders of that country were thinking, how the U.S. government could influence their calculus in the right direction. Sometimes it was tone, sometimes it was emphasis, focus, but they wanted someone to go out there to Central Asia and to put his or her shoulder to it, to keep pushing in the right direction. And so that is what I was charged to do. Ed Hurwitz came back, I got out there. My job was to establish a relationship with the Kyrgyz leaders. Now, of course you can not go there and not become embroiled in all the different segments of society who want you to do what they think is right. That is where I felt I had been given the least training or guidance. How do you sift through all of that? So in the end, my deputy and I talked this through and decided that in this environment, in the Central Asian environment, if you publicly criticized the Kyrgyz president or you publicly met and supported the president's opposition, you were no longer are a credible interlocutor with the president. They cannot lose face in that way. So we decided that I would be the person primarily dealing with the president and the government leaders, my deputy would be the prime person dealing with the opposition ,and that we would get together and share information with each other so that our messages back to Washington would be unified. In other words, it was from the two of us, it was not just me talking about the Kyrgyz president but in terms of what the Kyrgyz public saw; they saw me with the president and they saw Doug Kent as the person who would receive the opposition leaders when they came into the embassy. Coincidently, one of those opposition members is now (in 201-) the Kyrgyz Ambassador here in Washington. Sometimes I would join Doug's meetings with the opposition. It was not that they did not see me or that I cold shouldered them. But we had to be very cautious so that they did not walk out of the embassy and say that they had just called on the American ambassador and this was what she agreed to do. Sadly, this was a common approach to the media in Central Asia. Once the person met with you, you had absolutely no control over how they portrayed your meeting. It was not a very mature media environment in terms of journalistic professionalism or the standards of journalism so the very fact that you had met with somebody was their goal. You had to be very careful. But that- it actually worked for us because I could have very tough conversations with the president in our meetings, and we certainly did, but as a rule I did not do that in public.

There were two exceptions. Strobe wanted me to make very clear when I initially went out there that he saw Kyrgyzstan as being at a fork in the road. That told me that Strobe had heard Ed Hurwitz loud and clear but he felt that the Kyrgyz still had a choice to make. They could either keep going down the long and hard road towards democracy, that messy but difficult and ultimately important road, or they could roll back to a more authoritarian form of government. The fact that they were at a fork in the road was important.

When you first arrive in a country as an ambassador you get an audience with the head of state. You present your credentials and this meeting is usually public. It is the start of your being able to operate as an ambassador. You also hand over a letter of recall, in

effect, telling the head of state that the previous ambassador is no longer the President of the United States empowered representative and you will now fill that role.

Before you leave Washington, you are given a sealed envelope containing your credentials. I was told not to open it until the day of my credentials ceremony. So I did not open it and waited for my credentials ceremony to get scheduled. I was there a couple weeks before I could schedule this huge (for Kyrgyzstan) media event. Finally, we were able to get a time on President Akayev's calendar. I decided to bring all of my American staff with me. This was probably the only time they would be able to get in to the Kyrgyz White House and to see the President face to face. I thought this would be a good way to build esprit. I was already rocking the boat by bringing so many staff, I guess there were less than 10 of us because it was a small embassy, by bringing them all along. The day the ceremony before a high level advisor to President Akayev came to call on me and chat with me about all the arrangements. He was looking at me quizzically and he finally asked if I did not have something to give to him? I said no; I did not know what he was talking about. He took his leave. The day of the ceremony I decided I had better open the envelope with my credentials to make sure everything was in order. Right before we walk out in front of the TV cameras covering this event I find the instructions. The envelope contained not just the letters of credence and recall but also a list of the things I was supposed to have done before the ceremony. One of which was that I was supposed to have given a copy of my proposed remarks to the president or the head of state in advance. That way his staff would ensure that the president was prepared and could respond appropriately. Now, if my statement was a simple expression of my desire for warm bilateral relations this would not have been a problem. But I had a very hard hitting opening statement worked up with Strobe about the fork in the road, need to make tough decisions. I was about to walk up, shake hands on camera with the president, to stand there and listen while he made his statement, and then I was going to criticize this man in our first ever face to face meeting. I had not given him the text in advance so that he could prepare himself. So that is what I had to do. They, of course, thought that I was-that I had planned this all out and that I wanted to keep him guessing, and so if they ever read this oral history they will ever find out that it was because Washington told me not to open the envelope and so I did not. I made a mistake but I learned from it and moved on.

But anyway, he kept smiling, he was well known for his smile but you could see the tension. For the rest of my three year time in Kyrgyzstan the "fork in the road" metaphor would come up from time to time in our conversations, but the opposition were just absolutely thrilled that the first time they saw me on camera I was telling their president that he was at a fork in the road in terms of the country's democratic development. But we got through it, the president and I.

Q: Let's talk about the president because he later, quite a few years later, but he was-basically kicked out. But he hung on for a good bit of time.

MALLOY: For a long time. And the important thing to keep in mind is that the understanding of the democratic political process and all that it entails and indeed the

understanding of what we call a liberal philosophy was so narrow there. Very few people had an inkling of what it really involved and their general knowledge of democracy was so shallow. Even those people did not understand much. In my interactions with the president, he would quote the right people and he would say the right things but he did not really understand how that would play out in his own country. And I do not mean that he was ignorant, he was a supremely intelligent man, a physicist who had been brought up in the Soviet system. The fact that he respected freedom of intellectual endeavors was not at all surprising but he had trouble applying that to a free media and accepting that if a journalist in the media criticized the president that that should not be a criminal offense. We would have discussions about this and finally he said "okay," it would no longer be a criminal offense to slander the president but he was going to pursue it as a civil offense. Once this change was made we found that the civil charges included outrageous fines that had the impact of bankrupting any individual or media outlet who was convicted of such slander. He just did not get the point. This is what Ed Hurwitz had been seeing so many years earlier. It came up as well in freedom of religion when- there was a real pattern, the Russians would come and call and then there would be changes on the ground that we would perceive as negative in terms of freedom of religion. Once, for example, the head of the Russian Orthodox Church came and visited, attended to the large Russian speaking population that was Russian Orthodox and within a short amount of time after his visit the Kyrgyz government took moves against what they characterized as "extreme Protestant sects," like the Mormons, Baptists and Pentecostals who had missionaries in country.

Q: There were- well my short time there I was astounded at how many of these groups were there.

MALLOY: A lot of them were there.

Q: You know, this is- And many of them were very- basically naïve. I mean, they were-

MALLOY: They were in there to get recruits for their religion but at the same time they did a lot of humanitarian activities. But any move to in some sort of legal or structural way to impede the decision of an average Kyrgyzstani citizen to decide which religion to practice went right against this country's commitment to freedom of religion. So, of course, I was calling on the Kyrgyz White House to have another one of my heart to hearts with the president and what came out of it was the fact that to them freedom of religion meant that if you were Kyrgyz you could be Muslim, if you were Russian you could be Russian Orthodox, if you were German you could be Catholic. But the whole concept of ethnic Kyrgyz electing to stop being Muslim, and I should note that as a rule the Kyrgyz were very secular, they were not- at least up north, they did not particularly practice Islam, and to elect to be a Baptist was just plain wrong. They had not really thought this through. We in the West had just heard them say "yes" to freedom of religion and we each went away with our understanding of what that meant. We had a good conversation about the pro and cons and how this was viewed in the West because I learned early on that it was not productive to say something was wrong or was right; what I could say was "well let me tell you how this will be perceived by the people who make

decisions that are important to you and then you decide in the end how you want to do it but I'm here to be your filter" And so I said okay now you and I have worked hard to bring Habitat for Humanity to Kyrgyzstan and we did. I went down to Georgia, I spoke to them and this was the first place in the former Soviet Union they started operating. There was a hope that maybe Jimmy Carter could come and work on one of the projects. So I asked the president "who is Jimmy Carter?" and he replied "former president of the U.S. A." And then I asked "and what's his religion?" to which the president replied " Baptist." You could see the first little light go on. I then asked about the current President of the United States, who was that?" President Akayev replied, "of course it's Clinton." I asked, "and what religion is he?" "Baptist" was the reply. The second light went off. And I asked "and what religion do you think I am, sir?" He looked at me, sighed deeply, and said "you're not going to tell me you're Baptist are you?" I said no, I was Catholic but I noted that I had actually worshipped in a Baptist church and I knew many Baptists. I knew the good work they do and explained that in our country they are not viewed as a radical sect, that they were a normal part of the fabric of our society. In the United States if you are viewed as persecuting Baptists you were going to have all sorts of problems so he needed to come at this in a different way. And he said "but you don't understand; culturally it's not acceptable for a Kyrgyz to change their religion and decide to become Baptist." So I explained that then he had a cultural issue, not a legal issue and he needed to find a way to deal with that or it was going to be perceived negatively in the United States and indeed in Europe I could not speak for them.

So we would have that kind of conversation but it all came back to the fact that the understanding of what they had bought into was far too shallow and just not spread widely enough. So we focused our assistance programs on ways that we could help that, through speaker programs, through sending people to the United States, to working along with Soros Foundation on ways to get curriculum and information into schools, on all these liberal, philosophical trends. We hoped that over the course of a generation or two the Kyrgyz people would begin to understand but in the short term this whole country was being run by people according to the interests of their clans, their families. So you had these two things that were in opposition to each other.

Q: How did the Baptist thing work out?

MALLOY: They are still there, they are still practicing. To the best of my knowledge they did not, at least during the time I was there, they did not get through the legislation that would have created all these problems. It got stymied in parliament. I can not tell you where they are today but I feel that we generated enough thoughtful dialogue within parliament and then the president's administration to step back and take a look. Now, at the same you had the Russians going in, meeting with these same people and urging the Kyrgyz to get these religions under control because they were perceived to be causing problems in Russia and the Russians did not like it. So you had a lot of different things going on at the same time but as long as I was there, by the time I left in '97 it had not gone through.

Q: At the time I was there the then-president of Iran, I think it was Rafsanjani but I'm not sure, he made a visit to there and I remember going down in the elevator with him, a bunch of mullahs were at the hotel. They didn't-

MALLOY: The Iranians had a very strong presence there. At the end of my time the dean of the diplomatic corps was the Iranian ambassador. My very first trip outside of Bishkek, during a celebration the hosts seated me and my husband in a yurta along with the Iranian ambassador, his wife and his sons. We were tucked away there on our own. They were constantly, the Kyrgyz, throwing us together in the hopes that we would find common ground. Fortunately, the Iranian ambassador and I both approached it in a pragmatic way. When I first was introduced to him I did not know who he was but they brought me up and introduced me to him at a reception. I, of course, put out my hand and he immediately pulled his hands back. I thought he had done this because I was an American; subsequently, a year or so later, I saw him do the same thing to the wife of the president. He was just, you know, he can not touch a woman that he was not married to. But other than that I never had a negative interaction with him; we never used our public meetings to argue or carry on a dialogue. As a matter of fact at the end when I left and in my farewell the other ambassadors remarked upon how they all appreciated the fact that we had treated each other with professional courtesy and just made the situation work. I would suspect that in a different political environment he and I could have been good colleagues.

I did make him laugh once though, only once. Something we can talk about in a different-subsequent meeting is sort of the Kyrgyz dynamic with families. The president was extremely close to his mother. His father had passed away many years earlier but in Kyrgyz society the women had basically got these people through World War II , surviving the privations. If you read some of Chingiz Aitmatov's stories of World War II it is just remarkable what these women did. So the older women in the family were held in great reverence and the president really respected his mother. She passed away the last year I was there, which had to have been a huge blow for him, and of course, the Kyrgyz foreign ministry immediately was going to organize a trip so that the foreign ambassadors could go to out to the remote village where the funeral and protocol ceremonies were taking place. This was a logistic nightmare because they would have to put us on a bus for a 10 hour drive somewhere. So they had us all herded and gathered together but then corralled in this building while they figured out how to do this. The other ambassadors and I sat for three or four hours around this large table, glumly waiting to see what our fate was to be because going out in the countryside was really, really challenging. Generally when I traveled I brought all my food, all my water, you had to bring extra gasoline for your car because there was nothing out there.

Anyway, they eventually decided to serve us tea and they dropped the tea tray in the middle of the large circular table we were all sitting around. I, being the only female ambassador, thought I should serve the tea so I got up reached for the tea to pour it. One of the other ambassador's was trying to reach it as well so I said in Russian, "I thought I could reach this because I have long arms", but I was so distracted that by mistake I said in Russian that I had "long legs" instead of "long arms." I realized my mistake almost

immediately but before I could correct myself the Iranian ambassador started giggling and said "yes, we noticed," which only made me feel worse. Then I explained that I really meant "long arms," and then the Russian ambassador started giggling and explained that in Russian "long arms" was a euphemism for being in the Mafia. By this point all of us were giggling. We were in the midst of this solemn funeral gathering, all the Kyrgyz staff members were running around, all upset by the president's loss and the entire diplomatic corps was sitting there like little children trying so hard not to laugh. We had tears running down our face. About 20 minutes after that we were dismissed; they just said they had given up trying to find a way to transport us out there and they would set up something with the president when he came back to town. We all sheepishly went out to our cars and went home. But that was the only time I saw the Iranian ambassador laugh.

Q: Were we concerned, though, by the Iranian influence there?

MALLOY: Hugely but not enough. The Iranians and the Saudis were both pouring money into the Central Asian states as was the Turkish government.

Q: I was going to say the Turks too.

MALLOY: Yes. They were supporting the construction of mosques, they started to crop up all over the place and madrassas, religious schools. Unfortunately, when the Soviet Union broke up Moscow was providing anywhere from 20 to 30 percent of the base budget of the Kyrgyz republic, to support education-

Q: Kyrgyz were coming out ahead on the transfer within.

MALLOY: Absolutely. They were.

Q: I mean, some of these republics really didn't want to leave.

MALLOY: We talk about welfare state; I do not mean it in that sense but the Kyrgyz economy was not producing enough to sustain their education and their medical systems. Both collapsed over the time period between the breakup of the USSR and my arrival. Teachers had left because they were not paid, the medical workers in the field had given up and left, they were not being paid. The Kyrgyz government had little choice but to accept offers of educational support from the Turkish government or the Saudi government or the Iranian government. To them it looked the same as the Peace Corps where we were also providing teachers. It was a free gift. But what started to happen over time was that the southern half of the country- Kyrgyzstan is divided north and south by one of the most daunting mountain ranges in the world so you have a huge separation. It would take 45 minutes to fly from Bishkek to Osh, the second largest city in Kyrgyzstan; it would take- the one time I drove it took me 13 hours to drive the same distance, so, really, really difficult. Down south many more Uzbeks and Tajiks and much more settled where up north you had the more nomadic ethnic Kyrgyz people. The influence of religion and a different type of Islam was felt down south and at one point Rosa

Otunbayeva, who by this time in my tour had returned back to Bishkek as the foreign minister, asked me if I was concerned about the growth of the Wahhabis down south. That was the first time I had ever heard that word. This is where we run into a weakness of the Foreign Service and the State Department as it is structured right now. Our people tend to spend most of their time in certain regional bureaus; mine was the former Soviet Union, Russia, Europe. But when you are serving at a fault line that runs up against China on one side and South Asia down below and the Middle East, I had not been exposed to very relevant issues. Had I been an officer from the Middle East. I would have been familiar with the Wahhabis.

Q: Sure. I served in Dhahran in the '50s and the Wahabi; I was right in the middle of Wahhabis.

MALLOY: Right.

Q: So I knew all about Wahhabis.

MALLOY: So I sent a cable back to Washington saying the foreign minister has raised this and wants to know if we were concerned and, by the way, what is a Wahabi? Never got an answer. In hindsight she was right on.

Q: Yes.

MALLOY: What happened was we started seeing a resurgence of a couple social phenomena that we Americans would regard as negative. Number one, bride stealing. Number two, parents no longer could get a free education for their children so they decide not to spend their money to educate their female daughters. They are only going to educate their sons. So you begin to see things that traditionally were practiced in this region coming back even though they had 70 years of Soviet mass education for everybody. Poverty was a huge problem. People really did have to make choices. In Naryn they would decide which child went to school that day because there was only one pair of shoes to walk through the snow. I do not mean to imply that they had lots of money; they were just choosing not to educate their daughters.

Bride stealing - we call eloping but that is consensual. Bride stealing in Central Asia was sometimes driven by the fact that a family did not want to support this daughter anymore so they let someone take her away against her will. A lot of this was coming from empowerment from the foreign religious workers from Iran and Saudi Arabia who were urging the Kyrgyz to practice a more traditional form of Islam.

Q: The madrassas would not- I've only see pictures; I assume they're strictly masculine, aren't they?

MALLOY: Yes. The only madrassa from the Soviet era was in Uzbekistan, the only official one. What you had were new madrassas springing up from scratch but as I said, your average Kyrgyz never was particularly religious. They drink like fish and some eat

pork, but they do not officially have multiple wives though many seem to have girlfriends. Their understanding of western liberal philosophies was very shallow, understanding of Islam was very shallow so they were very open to being pushed one way or another.

Q: Did we- Were we able or you know, you mentioned this but you were in Bishkek and you've got, is it the- what is the name of the mountain range there?

MALLOY: Tien Shan.

Q: To get over it to the south, I mean, could you really do much reporting or monitoring what was going on down there?

MALLOY: We tried to travel down there on a regular basis. I made a point of getting to all the different parts of Kyrgyzstan in my first year and travel, like I said, was pretty daunting. We would- we had a Land Rover and that was what we traveled in. Even though the State Department sent out notices saying it was dangerous to travel with gasoline cans and you should never do that, well, you know, there were no gas stations so we had to carry enough for the whole trip.

Q: Sure.

MALLOY: I mean, I actually at one point on a trip we counted on finding a gas station and it did not have any gas. There we were in the middle of some agricultural farm land and we were out of gas and night was falling. The driver finally found some farmer who had a hidden stash of gasoline and allowed us to siphon some out, enough to get us back to the city. So you had to carry your gasoline, your drinking water, all the food you would eat for the entire time, your bedding if you were smart, and then gifts. Kyrgyz society- you were expected to give gifts as a visitor and not only to the host but to all the extended family members or everybody who happened to be there during your visit, which you do not know in advance. I always had a trunk of possible gift items and I would have to, during the event, figure out what I was going to give to whom. So you know, traveling was quite- I tried flying to Osh most commonly, tried the long drive once, which was pretty hair raising. You could only do it in the summer because in winter avalanches would shut down the roads and the tunnels. Driving through the tunnel that gets you over the hump in the mountains was like something out of "Star Wars." There were floods of water coming down the walls and out of the ceiling, wires hanging down and sparks. In the United States this would have been declared unsafe but it was the only land route. But we got down there to the southern half of the country as often as we could and we set up on the ground a network of people that we would touch base with each time one of us went down. That would include our Peace Corps volunteers, to hear about their programs, the USAID contractors on the ground and the missionary community.

The missionary community, when you were there, probably kept at arm's length. They really did not want any association with the embassy.

Q: Yes.

MALLOY: They thought that was dangerous. We worked hard; I worked hard to establish relationships with them. They were the ones running medical clinics, they were the ones sponsoring donations of pharmaceutical materials, other things, so we felt we could help them do good things. We would not become involved in the religious efforts but we would jointly do things such as in Bishkek we set up a factory to produce wheelchairs that could be used in that rough and tumble environment with mountain bike wheels. They had a narrow gauge so that they would fit in the little cage elevators used in public housing. If they had a good idea we would hook them up either with UNICEF or sometimes with the Peace Corps volunteers. One time we helped them bring in hundreds of children's winter coats, used coats, and the donating families in the U.S. would eventually get a picture of a Kyrgyz child wearing the coat they had donated. We brought in ORBIS, the flying eye hospital, and we almost got Operation Smile to come in. They fix cleft palates but the Kyrgyz ministry of health refused to support this project because they did not want to do the follow up nursing care. But I found the missionaries were great for these kinds of things that really reflected well on the U.S. Government and the U.S. people. But there was that barrier, as I mentioned earlier, I had actually been in a Baptist church for a couple of years before I came out and so I had a lot of contacts there who actually were working with people in Kyrgyzstan and put the word out that they would not be treated with hostility should they care to make contact. So that was helpful.

And the other thing was that we started organizing American community events. The first one we did was at Easter time and we decided to have this Easter egg hunt for the children. At that time we had less than 10 American children connected with the mission even with all the USAID contractors so we estimated that maybe 15 or 20 kids would show up out of the woodwork. We put the word out and we had a barbeque and a wild animal show, a guy came with little snakes and things to show the kids and pony rides and this Easter egg hunt. We had 50 kids show up out of the blue because the missionary community came. It was Easter; they came. We had no idea these people were all out there; they were not registered with the embassy as U.S. citizens, they were home schooling their kids. It was a shock but it was great so we made contact and then we started moving out from there. You know, they would use us in a perfectly acceptable way, and we would use them. I am not talking about spying, we did not use them in that sense- but if we told them that we had received an application for a rural agricultural credit program from some farm out near where they were working, and asked if they knew if it was a real farm, they could help us with that. We could talk to them about that. So that was helpful.

Q: Were we- how did we find sort of the fundamentalist Islam? I mean, was it- did it seem to be kind of taking or-?

MALLOY: Not up north. Down south around Osh, Jalalabad, was getting hotter but the Kyrgyz government felt it was really the Uzbek government just trying to create problems. This was before the violence and the extreme- there was an extremist group from Uzbekistan that started conducting terrorist acts against the Uzbeks that eventually

moved over into a part of Tajikistan and Kyrgyzstan. They were the ones who took the Japanese tourists hostage. That all happened after '97, after I left. When I was there you were seeing a certain amount of jockeying but it was all behind the scene.

Q: How did we see the Uzbek-Turk, I mean, the various elements within the- well, in the first place, the Russians. I mean, were they- there had been, of course, a considerable exodus. Was that still happening and were they being more accepted? Because they represented an awful lot of the technical field.

MALLOY: They did.

Q: I used to look at all the Uzbek clerks coming out of the ministries but you'd look at- I mean, not Uzbek, I mean Kyrgyz coming out with the hats of course and all that, but almost all the shops and all were run by Russians.

MALLOY: President Akayev very early on made clear that not only were the Russian speaking citizens of Kyrgyzstan welcome to stay but he wanted them to stay. The transition to the use of the Kyrgyz as the official language used in public events was much slower there. He did not want to disenfranchise all these Russian-speaking people if suddenly all the government announcements, all political life was in the Kyrgyz language. It was also because even highly educated Kyrgyz or especially highly educated Kyrgyz, since all their education had been in Russian speaking schools, spoke what we would call kitchen Kyrgyz. In 1994 the Kyrgyz vocabulary did not even exist for the president to start giving official pronouncements in the Kyrgyz language. By the time I left in '97 that was starting to happen but he was very, very open that he wanted the Russians to stay. As a matter of fact the whole time I was there the statue of Lenin was still standing in the main square, if you remember, and I used to chide him about that.

Q: There's a big Lenin museum there.

MALLOY: That- he was not going to touch that statue because to him he thought that was a visual sign to the Russians that they were still welcome. And he said besides, what would I put in its place? But he wanted them to stay. He recognized that they were the intellectual capital. But they had always been in the cities. You get out in the countryside and there were very few Russians. But you had to distinguish between the Russian speaking population, which included everyone from the Russians, to Germans, Ukrainians, and even Koreans. Russian language was important to a lot of people. They did not necessarily look to Moscow as their home. The people that did leave Kyrgyzstan were the Germans and that was because the German embassy was running a very active repatriation program.

Q: These are the Volga Germans, weren't they, or so-called?

MALLOY: You know, these are several generations later and Stalin uprooted and transplanted so many different groups and sent them off to Central Asia that there were well over 120 different ethnic groups represented there. If you could show that you had a

relative who spoke German, it could have been your grandmother, you would try to get in this program and get to Germany. It was a very active program and those people were leaving and a lot of them were Catholics so you saw very few active Catholic churches; by the time we got there it was hard to find an active Catholic church because of that program.

But the Russians, initially a lot of people left but then we started seeing rebounds. Your Russian from Central Asia was a different person from your Russian who grew up in Moscow or in a village outside of Moscow. They were much more independent, they were harder working, did not drink as much, and the people who started coming back would tell us that they were not accepted in Russia. The Russian government professed to be concerned about ethnic Russians living in the "near abroad" – former USSR but they would not allow these emigrants to move to the prime cities, they would have to go relocate out in some less desirable area where they did not fit in. They were seen as troublemakers because they were different. So some of them came back but the reality is in the long run there was not a lot of future there for them, for their children. They were going to be discriminated against. It was almost like Quebec where if you did not speak French and English you were not going to be successful there. And so what we were seeing was that even the people who elected to stay in Kyrgyzstan are watching their children migrating, many to Canada, to Australia, to the United States, not necessarily back to Russia.

Q: Were the Turks getting anywhere? I mean, you know, I think when the Soviet Union broke up there was this feeling I think in Turkey that okay, these are all Turks, you know, and we're going to really make out, it's going to be Great Turkistan or something like that.

MALLOY: Well it actually makes a lot of sense because Turkey is a secular Muslim country, happens to have a religious party in power right now but it is an example of where we hoped the Central Asian countries would go, so it made a lot of sense. The Turks were focused on pan Turkic cultural things; as a matter of fact they were beaming Turkish TV in there for free for a long time. Then, at some point during my tour, they wanted to be paid for it. The Kyrgyz could not pay and it went away. And they were interested in commerce so there was huge trade flowing into the country from Turkey. That did not work as well as the Turks had hoped because Kyrgyzstan was not yet a rule of law economy. The Turkish investors had something that looked to be viable, started making money, and then someone local would knock on the door in the middle of the night and say "it's in your interest to go back to Turkey because we're taking over." And so there was a lot of disappointment on the part of the Turkish companies as far as the returns they were getting. There were many small businessmen and a lot of charter flights back and forth with vendors who would go and buy merchandise and bring it back. Also the Kyrgyz got into the live sheep trade with the Middle East and I think that the Turks were facilitating that. They would ship the live sheep directly to Middle Eastern countries for slaughtered and use there. But it never panned out the way the Turkish government really wanted it to.

Q: I'd hate to go from the live sheep trade to the live woman trade. Was that a problem there because certainly the Ukraine-

MALLOY: Trafficking in persons? Sadly-

Q: What's basically white slavery or whatever; was this- did this hit?

MALLOY: Yes, it is a problem but there were two different types of trafficking in people. There was the bait and switch, you know, "come and I'll give you a job in a restaurant" and it turns out to be prostitution and they were trapped. And then there was the mail order brides. Kyrgyzstan got hit hard on the mail order brides. As I mentioned, the younger Russians were seeking to leave Kyrgyzstan. When you look at the mail order brides from Kyrgyzstan they were Russian or Ukrainian. These girls were looking for a better place and so they put themselves, through wishful thinking or just being naïve, into horrible, horrible situations. The only reason I know about this is that I knew one of them very, very well.

Because there was no international school in Bishkek we created a school. We also augmented the curriculum so one of the things that I did was to arrange music lessons for my daughter. She was a kindergartner, then first and second grader while we were there. Her piano teacher came highly recommended but she did not speak English. Ach lesson the teacher would bring her daughter, who was herself a great pianist and who spoke English. The daughter would interpret and my daughter would play the piano. Anyway, for three years we had these people coming to our home and it worked really, really well. We got to know them quite well, they were lovely people. Then when I was back in Washington a number of years later I got a message from another American family we had known in Kyrgyzstan asking for my help in finding the piano teacher's daughter. She had gone missing in the United States. Turned out that she had enrolled in a mail order bride catalog and came to the United States two years earlier. She ended up marrying a rather unsavory American but she decided it was not going to work. She was going to divorce him. She went home to Kyrgyzstan but he came there to convince her to give their marriage one more try, took her back to the United States and she was never heard of again. So the parents, this was their only child, deeply distraught, were appealing to me for help. Her husband claimed that she had left him during a transit in Russia and that she had never returned to the United States.

I got in touch with the police in Washington State where she had been living with her husband and I found a sympathetic detective who felt this was more than a voluntary disappearance. This detective worked with U.S. immigration authorities to prove that she had actually landed in Seattle on the same flight as her husband. It took almost a year but to make a long story short we eventually proved that he had murdered her and buried her body in a national park. He is now serving life in prison for her murder. But that brought me face to face with the lengths these young people in Kyrgyzstan were going to in an effort to find a way out of Kyrgyzstan. This young lady had suffered through two years of horrible abuse at the hands of this man in order to obtain permanent resident status in the United States. Her goal was simple – she wanted to sponsor her parents for immigration

to the United States. Had she left him before two years, she would not have qualified for permanent resident status. Sadly, before she agreed to marry him she had no way of knowing that he had a record for physically abusing his previous wife, who was also a mail order bride.

It turned out this was very common and because of this case there has been a piece of U.S. legislation enacted saying that these mail order brides have to be alerted if their proposed spouse has a record of violence against women in previous relationships, as this man did. There was a TV show made about this case as well. The fact that this lovely young girl from Kyrgyzstan is gone forever was to me not only heartbreaking but just incredibly frustrating, that she would feel that signing up as a mail order bride was the best option. But that got me more involved in working with the people at the Department and at AID who handle trafficking in persons. Even though this was not a true trafficking, in my opinion; I mean, a mail order bride is different. It preys on the same vulnerability.

Q: While you were ambassador this wasn't a particular issue was it?

MALLOY: No, no. At that point I had never heard of the concept of mail order bride from within Kyrgyzstan and part of the reason was that the media outlets were so limited. You did not have the western TV, you did not have periodicals coming in, magazines, and so few people spoke English that for them to get on the Internet was extremely difficult. We only had dial up internet and I only had enough electricity to use it if I went around our apartment and turned off all the other electrical appliances – to include our heaters. In the winter you would have to sit there and freeze in order to run your computer. They average Kyrgyz citizen did not know about the mail order bride business but a decade later it exploded when the young people all were studying English and they had easy access to the Internet. They found out that this was a way to get out.

Q: Speaking of ethnic situations there, when I was talking to my Kyrgyz counterparts in the consular business and all, we were talking about their tremendous concern about this over the mountains, you know, I don't know how many but six million people or-

MALLOY: China.

Q: What?

MALLOY: China.

Q: China?

MALLOY: Yes.

Q: I mean, you know, the Chinese, I mean they're right on the border and they just- we were talking- we would talk about immigration restrictions and all that that we had and of course they were pointed towards, my God, what if the Chinese started coming over.

MALLOY: The whole issue of China was a very complicated one but you are right; there was this deep seated fear that they knew that this tsunami of ethnic Chinese could wash them away. And if you look back at history they have been invaded by so many different groups and-

Q: They did a little invading themselves.

MALLOY: Well yes, yes, yes, yes, but you know, you- this was not an entirely unfounded fear but it was all out of proportion. When I arrived in '94 there was great disillusionment with the Chinese in the sense that the Kyrgyz had hoped there would be this great flourishing of trade across the border, that this trade would bring prosperity. Instead, the Chinese were sending into the Kyrgyz markets goods that were extremely low quality, mainly because people had no money, that was all they could afford. Just as here in the United States right after World War II, "made in Japan" became synonymous with cheap, shoddy goods, which is different now, "made in China" became associated with cheap and shoddy. When I would be escorting Kyrgyz officials around in the United States, when they were here on visits, and they wanted to buy things to bring back, they refused to buy anything that said "made in China." Well, that was when I first found realized that virtually everything sold here was made in China. But Chinese goods sold in the United States are of a higher quality good. So there was that disappointment.

The other difficulty with China was with the Uighurs. There were many Uighurs settled in Kyrgyzstan. Uighurs are a Muslim group, primarily in the regions of China just the other side of the mountains. We need a map here. The east-west mountains that separate the two halves of Kyrgyzstan-

Q: Would you spell that here?

MALLOY: Uighurs? U-I-G-H-U-R, Uighurs. There is another set of mountains that run northwest that separate Kyrgyzstan and China.

Q: Tian Shan.

MALLOY: Yes, Tian Shan, it is an "L" shape, a backwards "L" that runs up there so they have got China over one and they have got the southern half of Kyrgyzstan on the other.

On the other side of that you have Uighurs, you have ethnic Kyrgyz, you have ethnic Kazakhs, and traditionally you did not have a lot of Han Chinese over there though more and more now they are bringing them in. So the other disappointment for the Kyrgyz was that they had hoped that ethnic Kazakhs and Kyrgyz could have free flowing interaction with their ethnic compatriots over the border and that did not happen. The Chinese had a very, very tight border. They had unrest with the Uighurs that they wanted to control, and they also had Lop Nur, which is their nuclear test site in that area. That led to the third disappointment because the Kyrgyz felt that the Chinese were timing their nuclear tests so that the contamination would drift over the mountains into Kyrgyzstan. The Kyrgyz attributed a lot of their environmental problems to that plus all the residue of the former

Soviet nuclear testing up at Semipalatinsk to the north in Kazakhstan. Indeed, there was horrific contamination up at Semipalatinsk. People would tell me "oh well, you know you drive up to Kazakhstan and you can go fishing; they have these enormous fish in the lakes up there." But you could not eat the fish because of the nuclear contamination up there, so it was a little scary. So that was the third disappointment with the Chinese.

The other disappointment was they knew they needed transportation routes and the only way this landlocked country was ever going to have a viable export economy was to be able to get their products out. When I arrived the only way to travel was by air, which is extremely expensive. So live sheep traveled by air to market. The return for most bulk products was not viable by air so the Kyrgyz needed a road or a rail route. They had spent many, many years negotiating a route that would lead down to a port in Pakistan/India but route would need to go through a portion of China. The Chinese dragged their feet, dragged their feet and dragged their feet because such a free flowing road transport would, I assume, work against their efforts to control the ethnic groups, the Uighurs in this area. So again it was a grave disappointment that the Kyrgyz had invested so much time and energy in this road route and the Chinese were not doing their part. The Kyrgyz had to build up to the Kyrgyz-China border and then the Chinese had to build to the border with Indian/Pakistan. With India and Pakistan they had to skirt Kashmir so they did not get involved in that dispute. The Kyrgyz were just subject to every dispute you could think of.

So there were all these different benefits that the Kyrgyz initially thought they would get from China that they were not getting. What they did get, unfortunately, was a political problem because Uighur activists would escape into Kyrgyzstan. The word on the street in the Uighur community was that the Kyrgyz government had agreed to allow the Chinese to send law enforcement officials into Kyrgyzstan to forcibly repatriate Uighurs back. We never could get any proof of that but the Uighur activists felt that they were at risk there, and that indeed must have been a very dicey situation for the Kyrgyz government there.

So there were tensions with the Chinese.

Q: How about with the Kazakhs? The Kazakhs were, you know, did have oil and all; during your time was there any-?

MALLOY: Kazakhs were, on one side you could say the best friends of the Kyrgyz in the whole region. If you go back historically in the 1800s when you read the word "Kyrgyz" it could have been a Kazakh or it could have been what we now call the Kyrgyz, it referred to that large group. The two languages are very closely related, families are intermingled. I remember in one political campaign it became an issue that some opposition candidate was charged with slandering the president's wife by saying she was really Kazakh. He was being prosecuted for this, it was such a hot issue. It was a bit like Canada and the United States. We are very, very close and certainly have differences but Canadians are really offended if you tell them that they are really just Americans who live to the north.

But, having said that, the fact that President Akayev was pushing the envelope on democracy and waving this flag created difficulties in his relationship with Nazarbayev. He was making Nazarbayev look bad. So behind the scenes Akayev was getting slapped down by both Uzbekistan and Kazakhstan. Nazarbayev would dump all over him for making him look bad, by promoting democracy. We would be pressuring him to go further, they would be dumping all over him and they collectively controlled his life. If you think about the mountains behind him and the lack of transport, that meant all the old Soviet pipelines either came down from Kazakhstan, through there, or came through Uzbekistan. All the roads and all the railroads did the same. If the Kazakhs did not like what the Kyrgyz were doing they could start applying new duties and inspection requirements and road checks. And the Uzbeks, several times Karimov got angry and shut off the natural gas supply to the Kyrgyz in the middle of the winter. They really had the Kyrgyz in a very tough place. I never got the impression that the Kazakhs had any designs on Kyrgyzstan; they looked at Lake Issyk-Kul as their personal vacation spot but there definitely was a big brother/little brother kind of relationship.

President Akayev's family married into Nazarbayev's family. I'm trying to remember the specifics, whether it was one of his daughters or sons. I think his older son married one of Nazarbayev's daughters. Those relationships did not end well.

Q: What about sort of your family? I'm talking about the embassy. This is a pretty difficult place to live. I remember talking to one of the junior Foreign Service officers, a woman, was saying you know, it was not much fun because the Kyrgyz idea of going out at night was go get a bottle of vodka and sit there and drink. I mean, you know, this- what- how- did you have problems keeping officers, having them survive in this difficult-?

MALLOY: We had to work really hard, and it was one of those places where you get along with everybody, you have to. You do not have the luxury of deciding you do not find a person interesting or do not want to hang out with them. We all had to make nice because our social life revolved around this small group. There were very few people outside the embassy that we had to socialize with. And also it was dangerous to move around at night. The young Kyrgyz would come in from the countryside, get drunk and look for a foreigner to beat up. Also there were no lights, street lights.

Q: I remember walking, I mean the sidewalk, you'd be walking down the sidewalk at night and there would be a six foot hole in the sidewalk.

MALLOY: Yes, because somebody stole the manhole cover- and in the street, too- they were so poor that people would steal any metal they could find and haul it over the border to China to sell for scrap. The manhole covers would disappear and if yours was stolen, well, you would go to another street and steal theirs and put it in the hole in your street. We never knew, we all had to walk with flashlights, and when you were driving you had to be extremely careful. Lots of people ended up with broken arms and legs after falling into these holes. There were also- When the first group of Russian speaking people left Kyrgyzstan right after the break up of the USSR, they abandoned their dogs. There were

packs of 10, 12 feral dogs running around and they would go after people. We had to be careful about rabies. My daughter was bit and had to undergo a rabies treatment.

And then you had what we called "captive entertaining." If you did go out and socialize with a Kyrgyz family there was one set formula for entertaining. It was the same meal, the same identical food, the same format and it took five to six hours. There was no quick in and out visiting and it involved tons of drinking, much more than we wanted to. And so- and the hygiene is different and they do not always have refrigeration so meat and dairy products would have been sitting unrefrigerated for hours. So anyway, you knew you would be violently ill and we did it for our country but you had to schedule the next day to recover. Somebody on the embassy staff was always down either with some severe bronchial problem in the winter or food poisoning in the summer.

Keeping morale up was a big part of my job and I was lucky with the group of people that I had; everybody would try to do their best. Whatever their interest was, they would invite all the rest of us to come and join them. And also local staff, we had a huge guard force; crime was such a problem if you left your apartment, even overnight, your neighbors would tell the thieves that you were gone. They would come and break down your front door and empty your apartment, right down to emptying everything in the refrigerator, in a matter of an hour. You would come back, everything would be gone. And this happened over and over and over again. So we had to set up a mobile force that would go around checking our doors and showing a presence. It turned out that this was a talented group of people. Once one of the guards showed up late for work and explained that he was late because there was an emergency. He had to go perform brain surgery. A brain surgeon was working for us as a guard; another was a geologist, another was a botanist. We had physicists who could not find work in their field or their jobs did not pay because of the economic crisis -- we were the only paying employer around. On the weekends we would encourage these staff members to share their expertise with the Americans, do a geological walk or go take the kids out and do botany or we would do horseback riding lessons. If any of us found a new form of entertainment we would share it with the whole group. And we organized crazy parties.

I mentioned the Easter egg roll, what I did not mention is we held it at what used to be the Soviet Olympic trap shooting training ground which had been abandoned. We came up with the money to restore it and started showing people how to trap shoot. There was an old sauna on the grounds that we restored. Our Easter event was really a snake show-egg roll-trap shooting-shish kabob barbecuing-sauna event. A little something for everybody.

We would occasionally hire some old rickety buses and put everybody, including all the FSNs, on these buses and go to the top of the mountain. There was an old, Soviet era ski resort there and everyone could roll down the hills on whatever we could find to use as a sled. I found that the enormous cookie sheets issued as part of the official residence, but which were far too big to fit in the tiny oven, made excellent sleds. We would do silly things just to improve morale. In the depths of the winter when things started to drag we would just designate a day to go and have a massive shashlik barbeque up in Ala Archa

park in the mountains. Morale. And that was the only way we could keep our people together. Not only the Americans but we were losing Foreign Service nationals because our salaries were not competitive. We would train them in basic office skills, English language skills and as soon as they were productive a USAID contractor or one of the UN agencies would hire them away from us. We could not compete on salary so we found it was only by creating this home-like atmosphere, and also by providing training trips to the United States that we could hold on to talented people. They could have tripled their salaries by walking away from us.

It was hard. It was very hard. The first group of us, the first two years I was there we had a searing bonding experience in that one of our staff members died, the communicator. They had sent us a temporary duty communicator. Bishkek was a high altitude post and this man had some health problems but because he was a rover at that time he did not have to go through the mandatory health checks. He was not feeling well, we knew that, and he left at lunchtime to go back to his little apartment, a block up the road from the embassy. There he had a massive brain hemorrhage. We did not know it then but he had a Russian girlfriend living with him, someone he had met on a previous TDY, she wasn't Kyrgyz. She came down to the embassy and told us he was violently ill. We got him to a hospital but the facilities were awful. They had no oxygen, no running electricity. We were lucky that the regional doctor from Almaty happened to be in town and there also was a Canadian gold mining firm that happened to have a doctor visiting, and our senior management FSN was a medical specialist. She was not trained as a doctor but she knew how to interpret medical terms. And they, for 18 hours, did CPR to keep him alive while we tried to get in a medevac plane; had three false starts getting a plane off from Europe and then when it finally arrived and needed to land at the Bishkek airport, it just at the same time as a visiting head of state's plane was coming in for a landing. The Kyrgyz shut down air traffic for the formal arrival ceremony and the medevac plane had to circle. By the time the medevac plane had touched down, he had passed away.
Medevac planes do not take dead bodies, they only take live ones. The plane took off and then left us in this primitive place with an American who had to be sent home. There were no funeral parlors, no embalming; in a Muslim country, they do not do that. We had a coffin built; the Department told us it had to be sealed in metal otherwise we could not send him home to the United States. My GSO had to go out with one of our FSNs to weld the coffin shut. It was an awful, awful experience but the group of us that were there, who came through this experience formed a tight bond. So much so that I think it was a little difficult for the people who rotated in the next year to get into that group.

But we learned a lot of lessons from that experience. We became real sticklers about health and making sure that people did not come to post without the proper clearances, and that they realized what a high altitude would do to you. We were also locked out; he was our sole communicator so we were trying to do all this over the one slow fax line that we had because we could not access the cable system. When he went home feeling ill he had locked up and no one knew his combinations. Eventually the Department sent us a TDY communicator from Turkey. Marc Grossman who was U.S. ambassador to Turkey, sent us one of his communicators, which was great. And we got back in business. But it was a very, very tough, tough place, and if you were not healthy you could not be there.

Q: When you left there what were we seeing? I mean- In the first place, were there any major issues that we were having to deal with? I mean, a lot of- but I'm talking about sort of a political or economic issues of-

MALLOY: Constant. Well, if you remember, my charge was to keep pushing them in the right direction. My job was to try to get the powers in control to avoid huge missteps, to try to get them to be open to advice from USAID contractors. For example, we were spending a lot of time and effort to help the Kyrgyz construct a stock exchange. But the reality was that there were not viable Kyrgyz companies to list on the stock exchange. I was fighting a battle within the U.S. Government on our approach to the stock exchange (I did not believe it was a good use of our assistance dollars) and at the same time fighting a battle to get the president and his people to make consistent efforts to comply with the financial and business standards required to list companies on the stock exchange. The Kyrgyz government was not controlled by a unified group. The administration reflected various groups that the Kyrgyz President had to work with just as you see now President Obama will bring Republicans into his administration because they control power. I know from today's newspaper that he is nominating Governor Huntsman of Utah, a Republican rising star, to be ambassador to China. Sometimes it was a very astute move to take your opposition and hold them close. There were different elements in the Kyrgyz government that we had to work with who were not necessarily working for the good of the president or their country. None of them were working for the good of the Kyrgyz people writ large except President Akayev and I honestly think he thought he was doing the right thing.

He once told me in a private conversation that his view of his role with his people was to lead them and he described it by saying that his father had been imprisoned by the Soviets. They took many of the Kyrgyz intellectuals during Stalin's time and put them in camps and it was many, many years before his father was returned to the family. When his father came back to him he had been blinded by his time in the camps so President Akayev's role as the youngest son was to be his father's "arm", to lead his father who could not see, around for the rest of his life. And he viewed his role as president as being the arm and leading his people around though they did not quite see what it was that they wanted or what they needed to do; it was his job to lead them in the right direction. And I think he was sincere in that. He was also easily influenced by other elements but just getting him to do the right thing was not enough; I had to work with the other power centers and try to get them to either not be a negative or to start working in a positive sense, and that was all consuming. So we did not have a set agenda, we were trying to keep pushing them incrementally in the right direction, and trying to keep things afloat long enough, in terms of the economy, so that it did not implode. By that I mean we were trying to help them get U.S. Government grants for food; we would send excess wheat products that they could monetize and use to finance projects. Or we would support them with an IFFI in getting a loan that would help build their infrastructure. That was all just to keep them afloat.

We would work with UNICEF on programs like reopening coal mines in order to boost access to supplies for heating homes. We had a particular concern with supplying coal to rural medical workers near the Chinese border because the reason they were losing so many medical workers is that they had not been paid for a year and they could not survive without heat in one of the coldest places on earth in the winter. With a small amount of money to reopen the coal mines and pay the drivers to deliver coal to these regional medical workers, we could keep them in place.

Another thing we did with UNICEF is help them- they ordered from across the border in China a whole bunch of children's winter coats because the kids could not go to school because they had no coats. So we were helping with a number of short term assistance projects to keep it all together while focusing on the long term. That was our prime issue, the future of democracy.

Q: Now, you say "we"; what about, I'm particularly thinking of the British and the German embassies-

MALLOY: We did not have a British embassy.

Q: What?

MALLOY: We did not have a British- On the ground in Kyrgyzstan the only other NATO ambassadors were the German ambassador and the Turkish ambassador.

Q: Yes?

MALLOY: That was it. I had an Indian, a Pakistani came halfway through my tour, a Chinese, an Iranian, a Byelorussian, a Kazakh, a Russian; I think that was about it. And then you had the UN players, big guy in town, ran UNDP (United Nations Development Program); UNICEF guy was very important. But most ambassadors were in Moscow, the British ambassador in Moscow had responsibility for all of Central Asia, same for the Dutch and the Canadian. They would come through once, twice a year and, of course, we would talk and consult. And then later, towards '97 when I was leaving, more ambassadors in Almaty were given regional responsibilities. The difficulty with Almaty was that in Central Asia if you were based in Uzbekistan the Kazakhs would not talk to you. If you were based in Kazakhstan, the Uzbeks would not talk to you. The only neutral ground was Bishkek so the smart players would locate there because then you could talk to both Kazakhstan and Uzbekistan without running afoul of regional rivalries. But that was why so many of the ambassadors stayed in Moscow.

Q: So were you the premier representative for the Kyrgyz?

MALLOY: For better or for worse, yes. We were the only embassy whose interest covered the full range of issues. The German embassy's focus was repatriating ethnic Germans and selling German products to the Kyrgyz. Very nice people but that was what they were interested in. The Turks, it was commerce and promoting Turkic culture.

Neither of them would go in and make a representation, a joint representation on promoting democracy or rule of law.

I actually spent a lot of time working with my Russian counterpart. We still keep in touch to this day. But his charge was not necessarily compatible with mine. His charge was to keep them in line.

Q: Well was there Chinese in this?

MALLOY: There was. Oh, I'm sorry; did I leave that out? Chinese. Yes, the Chinese ambassador though, and I do not know if it was policy on their part or linguistic problems, but our interactions were very formal. They were not open to discussion. About as close as the ambassador ever came to departing from his formal talking points was once when he hinted to me that it was not a wise time fir me to visit Kashgar. A group of us wanted to visit Kashgar to tour the old city. We all wanted to experience the Silk Road and we applied for Chinese visas. We were planning to fly down to the Kyrgyz-Chinese border by helicopter and then we had hired drivers within China to take us up to Kashgar. When I applied for the visa the Chinese ambassador was most unwelcoming and kept telling me that I really did not want to make this trip to Kashgar. He was clearly trying to tell me it was not going to work. But we were naïve, it really was just a social visit, a group of people from the embassy; that was all we wanted to do. And the Chinese issued the visas so I thought once we had the visas everything would be fine. About 20 of us boarded the helicopter, and flew down to the border crossing into China. When we arrived at the Kyrgyz side of the border; you can not see the Chinese side of the border from there, we were told that we could not cross into China as, allegedly our Chinese government tourist rep had not shown up.

Q: What?

MALLOY: Your officially licensed Chinese tourist representative has to meet you at the border; this person was not there. We waited for three hours and then it was clear to everybody the Chinese were not letting us go to Kashgar. We were not allowed to go into the no man's land between Kyrgyzstan and China to verify that our tourist rep was not there. So we all had to get back on our helicopter, which fortunately did not leave us there, and fly back to Bishkek and that was the end of that. We found out a week later the Chinese were testing at Lop Nur so we suspected that they thought we were trying to come in to monitor this test but we were not. Maybe if I had been an Asian specialist and I could have spoken Chinese we might have had a different relationship, but I could deal with the Russian ambassador quite well.

So that was about the time that I rotated back to the State Department, where we do not break down those geographic bureau barriers. A couple years after I left the Department brought in as DCM an Asian specialist and subsequently they brought somebody who was a Turkic specialist. Those people would be able to develop relationships with their Chinese counterparts. Their problem though would be that they would not understand the

70 year overlay of the Soviet culture, and its impact on Kyrgyz behaviors. So we were all missing a bit of the picture.

Q: It is a basic problem, you know, understand- particularly when you get to a place where the cultures collide.

MALLOY: And here you have- Well, we were trying to add a layer of Western liberal philosophy on top of Soviet Marxism and underneath that layer you would find the impact of czarist Russia and the anger generated when the czar's Russian forces destroyed almost everything on the ground in Kyrgyzstan, destroyed the irrigation system, cut down all the agricultural trees, as part of pacifying the Kyrgyz. You have different Asian groups that came in to raid Kyrgyzstan. Alexander the Great supposedly got all the way up to those mountains in the south. Kyrgyz lore states that he was the one who first brought walnuts to Kyrgyzstan. So you there were so many different layers of culture and Turkic and-

Q: By the time you left, which road was- were the Kyrgyz going down, do you think? I mean, how were you seeing thing developing there?

MALLOY: Rosa Otunbayeva had her children studying Chinese at the University of China and the Kyrgyz signed on to the Shanghai Cooperation group very early on. They clearly saw a relationship with China, a strong one, to their interests. They tried for awhile, flirted with Japan but that was because initially the most senior policy advisor to the president had been in the Soviet diplomatic corps stationed in Japan and had personal contacts there. But the Japanese connection did not really pan out.

They also recognized that they were bound to Russia economically; it was unavoidable. So unless a white knight came over the horizon, which is what they thought the United States would do back in the early '90s, those two relationships were going to dominate their future and they knew it.

Q: At first for awhile, and it wasn't during your time, the war in Afghanistan.

MALLOY: Yes, Manus Air Base.

Q: Well, it's probably a good place to stop.

MALLOY: Yes. When we come back we should talk about coordination, because you talked about- I did set up some mechanisms and I did work with other mechanisms to coordinate how the different foreign governments worked with the Kyrgyz and that is worth talking about when we come back.

Q: And also did you have much connection with our embassy in Almaty at that time and-

MALLOY: Yes, lots, lots. We can talk about that. I actually started a regional ambassadorial get together to work on regional issues.

Q: Yes, because I think we want to talk about was there, with the Foreign Service and on, sort of on the ground, developing a "Stan" culture or not?

MALLOY: Yes. We can talk about that.

Q: Okay, great.

Today is the 26th of May, 2009, with Eileen Malloy, and we're talking about- didn't you talk about Kyrgyzstan; you were there from October '94?

MALLOY: Ninety-four.

Q: Until?

MALLOY: July '97.

Q: Ninety-seven, alright. You want to talk a little bit more about whatever you-

MALLOY: Well what I did was I went back and looked at my notes and jotted down some of the major themes of what we were struggling with and one thing I wanted to talk about was internal U.S. Government coordination of our assistance programs, because that took up a huge part of my time. To be fair the U.S. Government didn't have a lot of experience in working in that part of the world. Most of our assistance programs had been in Africa, in South America, in different parts of Asia. The European bureau had not, since the Marshall Plan, really been involved in any kind of assistance programs because there was no need. So you had a regional bureau that was not used to supporting its officers in primitive conditions, which we certainly were working in. But you also did not have a cadre of specialists in the U.S. Agency for International Development who were familiar with this kind of development program. A certain number of people came over from the Russia program but for the most part, USAID was just bringing in traditional AID folks and their approach was more formulaic than I liked. I inherited these large programs and they were based- the regional base was in Almaty, Kazakhstan - so when I arrived there was no USAID officer in the embassy in Kyrgyzstan. However, we had approximately 70 U.S. citizen personal services contractors employed by USAID running programs all throughout the country, most in the capital, Bishkek. Out in Karakol they had a local government program and down south we had other programs. So my staff found itself responsible for monitoring the work of 70 people, over which we had absolutely no control. The only tool we had was country clearance, when they would come in and out. Now of course they wanted-

Q: Country clearance meaning?

MALLOY: In theory, if a U.S. Government employee or even a non-employee like a contractor whose travel and work is funded with U.S. Government money directly is coming into country he or she has to request permission from the ambassador, the chief

of mission. That gives the ambassador a chance to say "well what you're proposing to do is at variance with our plan or has an unintended collateral, negative impact or the timing's really bad" or whatever. It is pretty rare that an ambassador would deny country clearance but I will give you one example when I did deny country clearance.

I had inherited a program. In other words I was not around when it was originally conceptualized. That would have been done during my predecessor's , Ed Hurwitz's, time period. The development professionals in Almaty at USAID came up with a plan to work on passing ownership of state industries to the citizens of Kyrgyzstan. They devised a voucher program, similar to what was done in Russia, where all citizens got vouchers that they could use to exchange for a certain number of shares in formerly state owned enterprises. Another large group of USAID contractors was working on creating a free market economy. They were advising the newly formed Kyrgyz government on how to run a private economy, treasury, how to maintain a stable currency. The Kyrgyz were the first to break out of the ruble zone and actually issue their own currency, called the som. That happened before I got there but it was quite controversial because they broke away from the use of the ruble and the Russians were offended.

Then there was a group of people hired by USAID to create a stock market, which is much more complicated than you might think. First they had to instruct businesses on how to restructure themselves, develop private ownership, and meet the criteria for being listed on the stock market. So in theory it was a great tool for bringing order to the economy. Our reality was that there was not a single business in the entire country that could possibly have met the criteria and been listed on the stock exchange.

So after I was on the ground a short period of time it became clear to me that much of the U.S. Government's huge investment, and at this point it was about $50 million a year in assistance programs to this country, was simply running right through Kyrgyzstan and into the pockets of private American companies, some large ones such as PricewaterhouseCoopers, and or individual private contractors. On paper we were giving the Kyrgyz all this money but I was not sure we were getting good value for that money. Also the Kyrgyz president would call me in and say "my people read in the newspaper that your government gives us $50 million a year and they want to know what we're getting for it. They want me to show that I've done something with it. What am I doing with this, aside from paying these very expensive American contractors?"

So I started asking a lot of questions and very quickly found that USAID did not appreciate it in the least. They did not like me questioning their practices, they did not feel that - since I was not trained as a development specialist - I had any expertise. What I was concerned about was simple things like how much they were paying. When I arrived in Kyrgyzstan a trilingual professional with a doctorate was getting the equivalent of, let us say $100 a month in salary, and USAID would walk in and hire an interpreter without even a university degree and start paying them $1,000 a month. They totally distorted the salary structure. Then everybody started demanding those higher wages. They were paying the staff of their contractors in Bishkek the same as Almaty, which had a much higher wage scale. One of my political FSNs was married to one of the USAID FSNs in

country. He wife, the USAID employee, was being paid four or five times what he was being paid. How do you explain that? They were paying for apartments for these contractors easily 10 times the going rate so all the landlords started demanding that money. And the other international organizations, UNDP, UNICEF, just totally heated up the market, where my opinion was that if we all just worked together we could keep a lid on this. But it turned out that every time I got an employee trained they would walk out and be rehired by one of these other organizations or USAID kept poaching our people.

Q: Did you find, because I'm speaking of our experience in Iraq where these private contractors ended up by having lots of political ties; did you find-

MALLOY: Oh yes.

Q: -you might say inappropriate or really just not political ties that- or other ties that were rather dubious about-

MALLOY: Well they were won either by really, really big, well known companies, and I do not mean to imply that there is anything wrong with Pricewaterhouse.

Q: No.

MALLOY: Or they were won by very small firms who lacked sufficient international expertise but who qualified under programs designed to improve opportunities for companies owned by minorities or females. These firms would then need to sub contract the work to one of the large corporations that could perform the work in a challenging environment such as Central Asia but then the lines of accountability became blurry. The one case when I did refuse country clearance involved such a firm. I do not even remember the name so I do not have to worry about saying it and getting sued, but it was a minority run firm that by all accounts was performing its work in Kyrgyzstan really, really poorly. In this instance USAID Almaty actually came to me and said that they were going to have to take legal action against this firm. And you know a firm has to be really bad for USAID to cut them off and say they would not deal with them anymore. The in-country representative for this company had gone back to the States for some reason, I am not sure why, and he was seeking country clearance from me to come back in to Kyrgyzstan to start a new extension of his contract. USAID asked me to deny him country clearance, they did not want him back because they wanted to pursue action to break the contract and get rid of him for non-performance. If they did not think he was up to it I was not going to argue with them. A country clearance cable came in, this was before email; we would get a cable saying Joe Blow, contractor, wants to come in for this period to do X, do you approve. In this case I disproved it. And a couple weeks later an attorney called John Bolton, a name you might remember, stomped into my office in Bishkek.

Q: Yes.

MALLOY: And John Bolton has in tow said contractor, who was of Indian nationality, I think. And John-

Q: American- I mean, Indian Indian?

MALLOY: No, I mean of South Asian Indian descent. And John Bolton in typical form came barreling into my office and started yelling at me, saying "do you know who I am?" And of course I knew who he was because he had been assistant secretary for international organizations in the previous administration. When the Clinton Administration came in John Bolton, of course, was out, along with all the other Republican appointees so he went off to private legal practice. He and I had seen each other in hallways at State but he had no idea who I was. I had never had an occasion to talk to him. But he was absolutely livid that I had denied him country clearance. I told him that I had not denied him country clearance; he was a private U.S. citizen, I had no reason or power to deny him the right to enter Kyrgyzstan. But I did deny his client and I did so because he was having problems with USAID and on and on and on. But Mr. Bolton was extremely unhappy and so I remember that I had to sent a message to Washington, alerting them that John Bolton would be coming in, looking for blood because I had "denied him country clearance."

The reason this came up is when John Bolton was up for confirmation for his job subsequently as undersecretary, and if you remember I don't believe he ever got confirmation; he ended up with a recess appointment and it was very controversial. It all hinged around his behavior over the case of a contractor and how he had been harassing the officials handling it. Well this was the case.

Q: You wasn't the one who said where he threw something at you?

MALLOY: No, that was not me. It was other people involved on the USAID side in this but it was not me but it was all part of this episode. So when this hit the press I was somewhere overseas on an inspection or about to leave on an inspection and thought "thank God I'm out of town" because I did not want to be subpoenaed. It was a problem for me though. Being focusing on things Russian and arms control my whole career, what it meant was that I could not work in the bureau John Bolton supervised during the Bush Administration. While he probably did not remember my name he would have always remembered my face. There was no way I could go work for the man after that.

But that was the only time that I can recall denying country clearance to a contractor. What did was try to work at the system end and get the USAID folks to look at their in-country processes. For instance, when I arrived contractors showed me in writing that they had been told that they had unlimited phone privileges back to the United States, to include their personal calls, and whatever bills they ran up could be charged to their USAID contract as an expense. And they were indeed running up thousands of dollars each month in personal phone calls. So as far as I knew you could not do that in the U.S. Government. I went to USAID to ask them to take action but they refused to send it back to their inspector general or to look at it or to confirm that it even existed. It just got very,

very negative, they thought that my goal was to destroy their programs when my goal was to actually make them work better on the ground.

Q: Well you know, AID has been along for a long time.

MALLOY: Yes.

Q: And one of the things that I heard very early on was, particularly I think on African programs and all, that so much money ended up going to University of Michigan State or Michigan State University for grad students to do studies in Uganda or something like that. In other words it ended up as you were saying before in the pockets of Americans.

MALLOY: We did not have, that I knew if, we did not have that but what we had is if you figured out what it cost for each American leader of these programs, for example, Price Waterhouse might have 25 or 30 Americans but there was one person there running that program for them. And at that time, in '94, the U.S. Government was paying between $1,000 and $1,500 a day to that person and yet when I needed- I desperately needed something like $10,000 or $15,000 to contribute to a UNICEF program for polio, there was incredible medical needs in the country - when I would try to get funding for those needs I would be told "no, there's no money in the program for that." So I ended up calling in each of the heads of these different programs and tried to jawbone some money out of them; they of course said it was not in their program, they could not do it. So I said well fine, let each of us not get paid for one day and that more than covers any money that I need. And they all looked at me- these guys were charging their contracts for seven days of work each week- and I eventually got my money but it was more out of just shaming people to doing it.

But it was a theme the whole time I was there. For USAID it became more a "keep away" game than a dialog with me. Some of their employees told me that they had been instructed that they could not tell me, they could not show me their budget plans. They could not tell me what they were doing; it was a complete blackout of information. What frustrated me is that the same USAID people moved on and ran the programs in the Ukraine and Peru and, I believe, in Kabul so you know, this same model was being reused in those places.

Q: Could you figure out how much money was ending up in Kyrgyzstan for- you know, I mean, because the idea of this money is essentially to produce something for Kyrgyzstan, not to enrich the lawyers of Price Waterhouse.

MALLOY: Well but what money was ending up in Kyrgyzstan was ending up in the hands of the wrong people. Because USAID did not have an American to handle oversight on the ground they relied totally on some of their local hire people. For instance, the people they hired to help them set up the stock market of course went out and found what was supposed to be the appropriate building for the stock market. Well, we all knew that that building was owned by their family and was being sold at an exorbitant price. The people running USAID did not know that but they also were not

interested when we pointed out that there was this conflict of interest. Lots and lots of problems.

So eventually USAID agreed to put a USAID officer person at the Bishkek embassy to run these programs. Only then did the dynamic between Embassy Bishkek and USAID Almaty begin to change because that person was so overwhelmed by the work, which my one political/econ officer had been doing on his own. She also saw first hand what the problems were and how money was going out the door in all sorts of ways. I felt bad because that officer then ended up not being viewed positively by her own USAID management because she started to say the same things that I had been saying.

Q: Well did you feel, and maybe from colleagues or something, that this was AID's modus operandi or was this the circumstances at the time?

MALLOY: Part of it was the culture - USAID seemed to have had a great deal of trouble ever letting go of a program, ever admitting that something had not worked. And part of it was that if they did not keep coming up with positive successes they did not get their funding the next year. People would say to me, for instance on the democracy side, that the fact that I was pointing out that the Kyrgyz were not as democratically minded as they would like the world to believe was hurting them and that they would not get the support that they needed to do other things. It was as if honesty worked against you.

Q: So you were supposed to sort of almost cook the books; not, well, I mean-

MALLOY: Spin; I would say spin.

Q: Spin.

MALLOY: Yes, you were supposed to spin more than anything. But that was a major, major theme.

One thing that we started doing, that USAID started doing was when they came up with new programs, rather than simply have a ceremony and announce that they had granted a sum of money to a particular Kyrgyz ministry to do something particular, they would actually sign a contract of sorts and in that contract they would list what we expected the Kyrgyz side to provide. This list would include things such as access to specific facilities or data that USAID would need to complete the project, or access in the future should GAO, the General Accounting Office, want to come and audit one of these programs. That was a very positive step, just having it all laid out for the Kyrgyz up front so they knew what we would be expecting in return for this assistance. So that was one development that came out of our jawboning but it was a real eye opener for me in many ways.

Q: We're talking about the mid '90s now and the Soviet Union stopped being only about three or four years before.

MALLOY: Yes, ’90, four years, yes.

Q: And we were doing big things in now Russia; was this a replication of the Russian experience in Aid and all or was this- were they realizing that the Stans or at least your Stan was different than Russia or maybe the other Stans or was this sort of a big one program fits all or not?

MALLOY: All three. They had come up with the Russian programs basically in the dark. The difficulty was if you were a development specialist you might say you had to build this way, this way, this way, finish this step before moving on to that step, but in the Central Asian environment you need first to find an individual with power who was willing to take a risk and work with you. In other words we could not look at the demography and pick the most likely city for a program to empower local government but rather we had to find a mayor of a town who was willing to take a risk, even if that town was less than idea. Then we had to run the program, show a visible benefit and only then would the other mayors want what that person had received from us. This seemed to run counter to the way USAID wanted to do provide assistance. What we kept saying was that they needed to talk to us in the design stage. USAID, a lot of the programs were involved in supporting travel of Kyrgyz officials to the United States on training visits. So, for example, if they had someone whose job it was to figure out how to run private land ownership they would send him to the United States and see how we were doing it. It all made great conceptual sense. USAID was putting huge amounts of money into such travel but what they were not doing was looking at what happened when that person got back to Kyrgyzstan. Roughly 90 percent of them were leaving their Kyrgyz government jobs almost immediately upon return because the Kyrgyz government could not pay a living wage. With their newfound skills, they could find higher-paying work for other entities. So we were urging USAID to apply some kind of timing or commitment as we did when we trained our embassy staff, a commitment that the individual would work for us for at least a year after their return from training or they would have to pay the cost of the training trip back. Of course we could not enforce that but they did not know that. Occasionally one of our staff members would pass up a training opportunity because they already got a job lined up with Price Waterhouse the next month. USAID needed more help on how to navigate the local Kyrgyz environment.

The other thing that they did not seem to understand was if you train the mid level person that person could not function unless the boss was willing to go along with it. We, the U.S. Government, were trying to empower mid level bureaucrats to come back and, in effect, tell their boss how to do things ways that did not work to the advantage of the boss. They would just get fired.

Q: Yes, I used to watch that with the exchange people way back when I was in Yugoslavia. They’d come back and they’d see a doctor who’d come back with the latest psychiatric techniques or something and the boss has been trained in Vienna in the ‘30s, you know, just didn’t buy that and would bury them.

MALLOY: What we were trying to find was the person with the power and to get that person to open their mind to change. We had some good examples. The mayor of Karakol, where USAID spent a lot of money for local government empowerment, was shown how to economize by doing things like replacing all the street lights with energy efficient bulbs. That seems pretty mundane here but it was really radical at that time period. She eventually ended up as the deputy prime minister in the national government. There were others that were less successful.

But it was not only a problem with USAID, but also with all the other donors in town. When I arrived in Bishkek UNDP, the UN Development Program, periodically would run an information sharing forum on assistance. Various donors would share information about what their government or their organization was putting into Kyrgyzstan in the way of donations. So in theory donor assistance was coordinated but in reality these meetings were attended by lower level people and it was more show and tell. There was not an attempt to get ahead of the game and say "okay, here's the problem, what can each of us bring to the table?" It was more reactive than proactive.

So I started attending these sessions, which was a bit painful because they would go on for hours and hours and hours, listening to all of this and trying to be strategic. I would try to introduce the concept of metrics to judge results. In other words I would ask if the donor was simply giving this aid because he wanted to give it or whether he was trying to change a behavior? Was he putting a carrot out there, and if so, how could we all work together? It took a while, a couple of years, to get the participants in this process around to realizing that we actually had a very powerful tool, that we should not just respond to what the government of Kyrgyzstan asked for. Some of the donors never got beyond that. UNDP tended to provide funding that the government wanted. They would give a sum of money to the government and the government would purport to use it for the original task. We, the U.S. Government, would not do that. We would consult with the Kyrgyz government, reach agreement on the need but then we would pay the U.S. assistance funds directly to whatever entity was performing the program. So if it was setting up micro credits we would bring in a company that excelled in developing Grameen style programs, who worked with the local people to set it up. We would not hand the money to the government of Kyrgyzstan for them to do themselves.

And the other donors were in the middle. We did a lot of work with TACIS, which was the European Union's foreign assistance entity and then with the individual countries. The Danes had a program of cooperation, the Japanese, the Germans, the Turkish government, so there were a number of donors that would come to these meetings and it was useful. We would find out sometimes that programs sponsored by different donors were working against each other and lively debates would break out. The European Union loved to use its development money to predispose countries to buy European Union products or to set standards in ways that would shut non European Union countries out of the market, for instance. There was a very healthy competition in that sense. We were more interested in getting the biggies like the World Bank or IMF (International Monetary Fund) to try and jawbone the Kyrgyz government on democratic issues rather

than just to focus on pure economic issues but that was a hard sell because their mandate did not include that. But we were at a very delicate time in terms of democracy.

Q: Were your frustrations and experiences being duplicated in the other Stans?

MALLOY: Yes, but not to the same extent. I wanted to know exactly that so I got in touch with my fellow ambassadors in the other Stans, Turkmenistan, Uzbekistan, Tajikistan, Kazakhstan, and suggested that we have an unofficial ambassador's weekend. I invited them all to come to Bishkek and they could stay in my apartment or in hotels and we would have a very relaxed weekend to talk about these subjects. I hoped that we could put our heads together. Now the ambassador in Almaty , first it was Bill Courtney, and then it was Beth Jones. They controlled USAID because USAID sat on their country team and AID will always give 90 percent of its attention to the sitting ambassador in the country where they are headquartered, even if they are supposedly regional. Turkmenistan had a totally bizarre autocrat running it. There was no one who had power other than the man at the top.

Q: This is the man with the golden statues that turn to the sun?

MALLOY: Yes.

Q: His son is now-

MALLOY: His son is now running it. So the USAID had very little money there because they had never been able to reach agreement on democracy building. They had some health programs and things like that but there was not a whole lot of money going into Turkmenistan.

Tajikistan was in the midst of a raging civil war at that time so there was not a whole lot of foreign assistance going on down there. It was not deemed safe. Uzbekistan initially had a lot of foreign assistance money but in this period Karimov slid backwards on democracy. That was when journalists and dissidents were being beaten to death and thrown in prison and so, again not all that much assistance money was going in there.

Almaty had, like I said, the lion's share. Money going in there-

Q: And they also had oil and everything else.

MALLOY: A huge amount of commercial interest going in there. And Kyrgyzstan at that time had the highest per capita assistance level in the former Soviet Union so we were actually getting lots and lots of money on paper; my question was what are we achieving with all this money? And I was not seeing it. The privatization program really did not work well. Then USAID ran a number of media campaigns, they brought in these Madison Avenue types and were running these slick campaigns; that did not go over well. The exchange programs, the educational programs, the medical programs were doing well. The micro credit programs were doing well. Peace Corps was doing really,

really well. And the Department of Agriculture programs were doing really, really well, the big green monetization programs. I am going to give you an example of coordination.

We were shipping in excess U.S. wheat and it would be given to Mercy Corps, which was an NGO with a grant from the U.S. Government to run a monetization programs. Their goal was to try to get a couple iterations of benefit out of it. So the Kyrgyz government entity could monetize the donated wheat by selling it in the market and then they had to use that money to do something constructive, either support an orphanage or something so you would get a couple of whacks out of it. UNICEF was always looking for money to bring in vitamins. You know, this is another example of how the Soviet Union's medical system collapsed. There were terrible problems with thyroid because they could not, what is it they put salt?

Q: Iodine.

MALLOY: Iodine.

Q: Iodine, yes.

MALLOY: Even though it was initially put into salt, when it was produced the packaging was so poor that, and I did not know this, it had dissipated. By the time it reached the consumer the iodine was no longer there because it was not air tight. The Kyrgyz were having all the problems one has with a lack of iodine in the system - birth defects and everything. That was just one example but there were all these vitamins and minerals that had to be dispensed to people directly because the food chain and the medical system had broken down.

And I asked one of my stupid questions, which is we not mill all these vitamins and minerals into bread? Well they did not have the equipment, they did not have the knowledge, they did not have the supplies of vitamins and minerals. So we got UNICEF and Mercy Corps together to figure out how we could come up with a joint solution. UNICEF had the ability to fund the technical training for the mills and they could also fund the supply of the supplements to the flour mills. Mercy Corps could help procure the new equipment the mills would require for this additional process and they also volunteered to negotiation agreements with the mills to prevent over charging for the new fortified flour. The U.S. Government had transportation abilities. So none of us could do anything on our own but we together we were able to set up a pilot program to fortify wheat flour in Kyrgyzstan, I explored with the Air National Guard flying it in the new equipment and the first batch of supplements. The Montana National Guard was assigned to partner with Kyrgyzstan and they were required to make practice training flights there at least once a year. Anyway, it was very complex but over the course of a year we made this all come together, selected the mills, ran a pilot project, got this going, got the ministries interested and then started supplying people with fortified bread and got away from handing out all those vitamins.

Q: You can iodize bread then?

MALLOY: The salt that goes in the bread.

Q: Oh the salt, yes.

MALLOY: Yes. And they were working on better packaging for salt but everything was very primitive. You bought salt in a big burlap bag and people would dish it out and it just did not retain the iodine. But this new process of fortifying the bread was getting all these minerals, not just the iodine, into people's daily diet.

And so Mercy Corps went out and bought the powdered supplement, bought the machines and I set to work to get the Montana Air National Guard ready to transport it this cargo. UNICEF had their people lined up to teach the mill operators how to run the fortification process. At the last minute we got word that the circus, Barnum and Bailey, was flying a huge empty cargo plane all the way into Kyrgyzstan because they had just hired some Kyrgyz horseman act to perform in the circus. They were coming to pick up all the horses and their equipment and so we approached the circus and asked if they would carry the fortification equipment and the supplies in on the empty plane? They actually agreed to do it but, unfortunately, we could not get our cargo to them in time for the plane to take off so we missed that opportunity; we almost got it all transported for free. But we did get it in via the Air National Guard and got the mills set up. It was a wonderful success. I do not know if this project is still running but it ran for the last two years that I was in Kyrgyzstan.

Q: Well did you find of the powers that be, were they aware of the enormity of the problem of lack of iodine?

MALLOY: Yes. But on a political level they had not a clue how to fix this. They did not have the means, the resources to do it. It was something that had always been provided from Moscow, this nationwide medical care. The Kyrgyz themselves were not the doctors. The Russians were the people who had the medical training and they organized the system. And so until enough Kyrgyz started going to medical school and becoming doctors you had a gap period where all you had out in the field were, I think the word is "feldishers," basically people who have about as much training as we would give somebody who works on an ambulance here. So they personally did not know how to fix the problem; they were all waiting for someone to come in and supply an answer. The international community really could have impact, just by coming in and showing them.

Sometimes, you know, I just got terribly frustrated because international donors would come supply something without really thinking through whether it was appropriate for this environment. For example, birth control was a touchy, touchy issue. This was a Muslim country and there were all sorts of culture wars. It was very hard to get men to use condoms so the idea was to bring in birth control, I think it was called Depro- a form of birth control given by injection, something for women. Large supplies were shipped in, not by the U.S. Government but by other donors. Well what they did not realize was that the people who would be dispensing this birth control were not trained and they were

administering it to people like they do vaccinations. During Soviet times children would be vaccinated three or four times with the same vaccine, the assumption being it was of such poor quality that hopefully one of these would take. Well, you can not do that with a drug like Depro without harming a woman's health. The medical workers in Kyrgyzstan were double and triple dosing people and actually hurting them. So we realized that the problem was much larger than just handing over whatever the medication was, that you had to have a reliable supply and you had to get down to the local level with training, otherwise your donation would do more harm than good. So it was terrifically frustrating. And USAID did a good job of working at the center of the national government with the ministry to health to get them to adopt new approaches to preventative medical care. But you know, we are looking at a full generation before we will see the results of those changes.

Q: Well were you- was somebody sitting there with the Kyrgyz and saying okay, in order to bring us up to a certain standard in various things we need so many people trained as medical technologists as opposed to physicians and we need so many engineers in this field. In other words trying to figure that essentially the Russians left the place, the technicians left so they had to replace the technicians. Was there a master plan on replacing technicians?

MALLOY: Well but you have to understand that this was no longer a planned economy. It was a free market and everybody did what they wanted. Everybody went off to make money. The government, we were not encouraging the Kyrgyz government to have a planned economy. That was why the steps that President Akayev took in the early years to make clear that the Russian speaking community was welcome to stay in Kyrgyzstan, and indeed was needed were so important. He needed them to stay. But no, we did not have a plan detailing for the Kyrgyz government that they needed to have more computer technicians but that was happening naturally.

In the former Soviet Union or in the Soviet Union a doctor was a very low class profession. It was not like here. I remember once being in the Hermitage in St. Petersburg and started to talk with one of the little ladies who sit in the galleries to make sure you do not touch the paintings. I asked how she liked her job and she said "well you know, I'm a trained doctor but this pays better". A lot of people in the United States do not understand how lowly an occupation a doctor is over there. A surgeon, however, was a different thing. I am talking about doctors.

Q: Yes, it's a little hard to understand, although we have our problem with teachers, with-

MALLOY: Same thing.

Q: -particularly in elementary schools and all.

MALLOY: We do not value them, we do not pay them and we do not get good results because of that. But that is a free market economy and that is what we were-

Q: But, you know, it's nice to talk about a free market economy but there have to be incentives to direct people, a certain number of people to go over this way for the social good, isn't there?

MALLOY: Yes, but there are certain things that the U.S. Government does not do in our foreign assistance programs. For instance, education. We do not ourselves have a national education plan therefore we would not go overseas and promote a national education plan. We might look at components of it, we will work on exchanges for example but we do not go in and tell a foreign government how to organize their country's educational system. Private donors, however, do that. George Soros was very, very active in Kyrgyzstan doing exactly that. Soros came in on the educational side and right off the bat his people realized that knowledge is power but traditional ways of disseminating knowledge, as in book form, just were no longer feasible. The cost of shipping a book to Central Asia was phenomenal and there was only one publishing house in country and it was controlled by the government. That made it highly unlikely to publish the kind of information George Soros would want to get out so he just said forget this, we are not going to be stocking libraries, we are going to go right over the Internet and we are going to get computers into schools, we are going to get Internet connections set up at those schools and we are going to teach students how to use them. The Soros Foundation taught students in both English and Russian because that was what they would need to access information right to the source. And it was tremendously successful for the schools in this program. The Soros Foundation also got involved other issues such as interethnic harmony and made that a major focus of their programs. But my point is, we the U.S. Government would not be able to go in and tell the Kyrgyz educators that they should just do away with books. You know, we do not do that.

Q: Well first place, one, you're talking about almost sort of our political philosophy was a controller in how you presented this.

MALLOY: In every nation it is. Later on we will talk about cleaning up the Cold War legacy. We in the United States have money set aside to fund programs designed to lower our national security risks such as Nunn-Lugar funds. Other international donors have a different political dynamic and they are not able to spend funds on foreign assistance to remedy such a national security risk but they can spend money on controlling potential pollution risks, something that the U.S. government can not do. So we would get together at donor coordination meetings to see if there was a way to slice and dice problems. Every country has a political rationale for how it will spend its limited foreign assistance money and you really need to have good coordination because there are so many needs out there.

Q: Well we're talking about a particular era and somebody who is, I gather, extremely important is George Soros.

MALLOY: Yes.

Q: Could you explain who he was and how you observed his operation at that time?

MALLOY: Well he made his money, as I understand it, in Arbitrage but the fact is when I met him he was an incredibly wealthy guy who had decided to donate-

Q: He's Hungarian or Romanian?

MALLOY: I think Hungarian. He was a U.S. citizen, at this point. He just put a ton of money into projects that would promote democracy, freedom of information and freedom of speech. Initially his program was welcomed with open arms in Kyrgyzstan. However, by the time I arrived the person who was the lead for Soros, who was running his whole operation, was an incredibly talented and intelligent woman, Chinara Jakypova, who also happened to be a very vocal opposition gadfly to the president. As President Akayev visibly veered further and further away from democracy she saw her role as using the Soros platform to attack President Akayev. The collateral impact was that the Kyrgyz government started to attack the Soros program and desperately wanted Chinara Jakypova to go away. At one point late in my tour George Soros came to town. He had a series of meetings at which he was lobbied to get rid of her, which he would not do. That would have gone against the grain but I think he realized that her very presence was hurting his program. Right before I left Bishkek she was offered a position in Soros' program in London. She took it and departed Bishkek and a new person took the work of the Soros Foundation there. It was my impression that this was his way of saying "okay, I want the program to work, the program is more important than any one individual," and so he tried to create a win-win for both. So, a smart guy.

Q: I know I ran into a little of this because my wife and I in 2001 happened to be at Westminster College in Missouri, this is where the Iron Curtain speech was made, and we met a young student who was sort of a docent at- they have a little museum, a Churchill museum there, and chatting away and discovered that she was from Bishkek, and she said a place you've never heard of. And I said ah, but au contraire.

MALLOY: Been there.

Q: Been there, done that. Anyway, we had her for a week here, she came here. She was Russian and she saw everything in the city inside of a week, mostly on foot. But very bright, I don't know what happened- But I mean, she was on a Soros program and he had sprinkled people all over the country. I mean, it's really an incredible contribution, I think.

MALLOY: Oh it was a great program, a great program. And then our high school exchange program was also just a real eye opener for these students.

Our other problem was once you opened their eyes, having them go back, especially for the ethnic Russians, made them in many ways feel that they had less of a future in Kyrgyzstan.

Q: Yes.

MALLOY: It got to a point with the- some of the more advanced programs- again, we had to seek a commitment from people because there was absolutely no point in the U.S. Government paying the very large per person expense for these programs if the recipient was then not going to go back to Kyrgyzstan to use that skill. If they were going to move to a third country or attempt to come back here to the United States, well that- it was pointless.

One other program I should mention, because I think it was tremendously successful, was another USAID program, Aid to Artisans. That was a program to bring in specialists in the craft and art world to help Kyrgyz artists figure out what would be viable to market in the West in terms of textiles or musical instruments or whatever. This program did really, really well, and I know- I did a talk just last week on this subject and people brought textiles from a year or so ago from Kyrgyzstan and they had done an amazing job in coming up with something that you could actually sell in New York. So that was one of the few programs that resulted in a short term financial benefit to people. Most of the USAID programs of necessity had a long term focus.

And the other thing we talked a little bit about was the NGOs. We talked about Habitat for Humanity. Habitat for Humanity when I got to Kyrgyzstan was something that I knew of from the United States but I had not seen any sign of it in the Central Asian region. When I was back in the United States for consultations I went down to Georgia, down to the headquarters of Habitat for Humanity and asked them why they were not operating in Central Asia. They said because they had not been invited and they only go where they were invited. I was surprised to find that they were not working anywhere in the former Soviet Union. So we reached agreement that they would send specialists and set up a shop and start community building and start a project.

Q: You might explain what Habitat for Humanity is.

MALLOY: Habitat is an NGO that has been around for decades, I think, going back to the ‘60s, ‘70s. They go in and they teach a community how to organize itself to solicit donations and building materials, money, time and labor and to start building housing that is culturally relevant for that region. Something that an average person would be proud to live in and that met whatever the standards were in that community. One of the challenges we discussed was that Kyrgyzstan was at a very, very high risk for seismic activity. The houses would have to be able to withstand a sizeable earthquake without collapsing. So they come into a community, teach the local people how to organize themselves, to form an NGO and then, with assistance from Habitat, they design a low cost but culturally satisfactory building. Then they find space for a building project and they start building. But before they do that they usually start out by doing some quick community building rehab projects. They go in and repaint an orphanage or whatever to show the community that they are interested in their welfare.

Habitat set up the last year I was there and they are now doing really, really well. I do not know if you sometimes see advertising for Habitat; but they feature the Kyrgyzstan project in their print literature.

Orbis was another NGO we brought in. That is the flying eye hospital. President Akayev suffered from a problem with his eyes. I never knew exactly what it was but I knew he would be predisposed to support this particular project. When we proposed that they allow Orbis to come in we had to negotiate things such as waiving the standard landing fees for the plane and the servicing fees at the airport, anything we could negotiate away would be less money that Orbis would have to go out and raise in order to make the trip. So the president agreed, he actually came out and visited the plane and watched the medical training being performed there. They had a number of different operating suites on the plane and the whole front of the plane was set up as an auditorium with seats and screens where local doctors could observe the operations. They do not just come in to do the eye surgery but rather the whole point was to train local surgeons in advanced techniques. One of the interesting things that came out of that project was that staff for Orbis arrived in Kyrgyzstan in advance of the aircraft in order to select the cases to be worked on. They were looking for certain types of eye problems that would illustrate the surgical techniques that they wanted to teach. However, Kyrgyz people thought the selection of patients would be done based on power and influence so, of course, they would come to us and suggest that a certain high ranking person had a relative with an eye problem and that we should ensure that they received priority for these surgeries. They were just astounded that the selection of patients had nothing to do with influence, that we in the embassy were not playing any role in these selections, and at the end some, very poor, low ranking individuals from the countryside received free eye surgery. They could not understand the approach that we as Americans had to all of this.

Less successful, alas, was Operation Smile. This is an NGO that transports doctors who work on cleft palates. In the Soviet Union if a child was born with a facial defect it would be fixed immediately for free. After the break up of the Soviet Union, if you had money in your family you could pay for your child to have a hair lip or cleft palate fixed. But children in orphanages were being left without these conditions being fixed. It was shocking, the condition of some of these children. So Kyrgyzstan was prime ground for Operation Smile to come in and work on these problems.

We went to the ministry of health with the offer from Operation Smile but they turned us down. They would have had to provide the after surgery nursing care and they refused to do it. So at the embassy we- a group of us got together to help children at an orphanage out of town. A number of the children had facial deformities and we started to bring the children, one at a time, into Bishkek for surgery. There was a Russian woman who had adopted so many children we called her the old lady in the shoe, so many children she did not know what to do. She agreed to have these orphans stay in her house while the recuperated from the surgeries, to convalesce. One by one we would bring them in to town, they would have the surgery, and she would take care of them. I have a feeling they never went back to the orphanage; I have a feeling she just adopted all these kids. For the last year I was there we were supporting her and all her children. She never knew who we

were. She did not know it was the U.S. embassy, she did not know that the benefactors were Americans. We had a member of our local staff act as the intermediary with her. It was our effort to support private philanthropy which did not exist in that culture, and to take care of these kids.

And we had Heart to Heart come in with medical shipments. We had one group come in with a plane load of children's coats, which were distributed. We would facilitate these things if it was from a viable NGO. We would want to know who we were dealing with, obviously, at the other end. But the group of us who were there at the time, we were very interested in supporting all of that.

Where are we on time? Am I running out of time?

Q: No.

MALLOY: No? Oh good, okay.

Kyrgyz culture. Did we talk about culture?

Q: We may have picked up bits but not- I don't think a real concentrated look at it.

MALLOY: We used to call it captive hospitality, the rule of thumb was that if you did not overfeed and overstuff your guests to the point where they were literally feeling ill you had not done your job. And so it was like visiting your grandmother; you were always being forced to eat and eat and eat. And some of these events would go on for six to eight hours. My ability to sit cross legged on the floor and eat for six to eight hours and drink vodka was very limited. So for me it was hard. First of all I do not eat a whole lot of meat to start with and this- the Kyrgyz diet is meat, meat, more meat, and then you have a little meat on the side, with an occasional bit of fried bread. So that was really hard for me to deal with as it was either horse or mutton. For the most part Kyrgyz do not eat pork and they do not kill lambs. I mean, that would be a waste. The one time I tried to get a lamb to cook for my family for Easter, I think it was, my husband came home with this leg of lamb which was so large I could not shut the oven door, it did not fit and clearly it was not a lamb. But it was part of their culture- you had to overwhelm your guest with hospitality.

The other thing was gifting. When you came to someone's home as a guest you were expected to bring a gift, not just for your host but for the whole extended family. The host also would give you gifts. When your guests leave you were expected to give them each a gift so there was this constant gifting back and forth. Since there was very little to buy in this country it got to the point where every time I was back in Washington on consultations I would be buying suitcase loads of things I could give as gifts. I would then have to drag them back with me. I would bring a trunk of possible gifts with me in the car when I traveled about Kyrgyzstan. When I saw who was at dinner I would have to go out to the car, rummage through the trunk and try to pull out the most appropriate gifts for my host and his family. I was expected to make up a little story, for example " I am

giving this to you so that you can be a better host." But it was something I did not know anything about before I was sent out there; had I known I would have brought all sorts of things with me. I was caught short on that.

There was also an expectation that as Westerners we would, in communal circumstances, assume responsibility. I lived in a Soviet apartment building when I first got there. The other residents were a bit disgruntled, I only found out subsequently, because they assumed that since I was the only with an income that I would pay for the gardening around the apartment building and the cleaning of all the stairwells and everything else. It seemed that some of my predecessors had done that. They did not leave me any information on this though. But the whole building gradually fell into disarray and unbeknownst to me everybody was holding me accountable but nobody was telling me that.

The other thing was there was an expectation that I would throw a lavish housewarming party and invite all of them and since I did not do that then clearly I was not a hospitable person, which was the worst thing one could be in Central Asia. We did not have any in house protocol specialist, there was no one at the embassy who could tell me how things were done there, how our actions would be interpreted. We were all just making it up as we went along.

Q: I hoped that you left a little handbook-

MALLOY: Oh yes.

Q: -equivalent to that, take it to your successor.

MALLOY: I did, I did. We left lots of handbooks but it was a little scary. The gifting thing was a bit of a problem. When I showed up Vice President Gore had come through in, I think, March; I got there in September. And the president had given him a horse, which of course the vice president could not put on his plane and take away with him so it was still there. The whole three years I was there we were trying to figure out what we should do about this horse.

Well, about six months before I left, all of a sudden we got a bill, three years of stabling expenses for the vice president's horse. I went back to the State Department, to ask if anybody wanted to pay this bill? What should we do? And the answer was that no, we do not pay to stable horses and the vice president, thank you very much, does not consider that this is his horse. In other words, just make it go away. So we told whoever it was who was stabling the horse that they could have the horse in exchange for the stable costs, thank you very much, and we thought oh, we dodged that bullet Days later, the phone rang and it was the Kyrgyz White House administration on the phone telling us to come pick up our horse. What horse? We gave that horse away. No, no, no, your horse, the president is giving you, Madam Ambassador, a horse.

Q: Oh God.

MALLOY: And it was there at the White House that very moment waiting to be picked up. I mean, it was standing out on the street, and they wanted me to come and get it. What should we do? We had to do some quick research on what was culturally acceptable in terms of gifting and it turned out that one cannot refuse a gift but one can re-gift under certain circumstances. And so I called a Kyrgyz man that I knew who was running a horseback trekking private business in the mountains near Lake Issyk Kul. He was a mystic. I told him that if he and his brother wanted to go pick up this horse and take it back up to the mountains it would forever be his to use in his business. And I told the president's administration that I had re-gifted it to a local business for the greater good of Kyrgyzstan. And that seemed to make everybody happy.

But gifting is a very delicate thing. If you admire something the owner has to give it to you so you must be very careful. The way we Americans normally start conversations is to walk around and compliment someone. We might ask "where'd that come from? " Without knowing that that meant the person had to give it to you, whether it was a rug or- it did not apply to the children, fortunately. But I made that mistake with a parliamentarian, a woman who was wearing a lovely broach and before the words came out of my mouth she had unbuckled it and pinned it on me and I was mortified. I still have it because she would not let me give it back to her. So I had to train my people that this whole culture of gifting was so strong out there that they had to be extremely careful.

Q: I can remember, again, going back to the '50s in the Trucial states on the Persia Gulf, going through the marketplace and being warned about this and having to, you know, daggers would be shown to me and all and I literally had to grunt at everything; I didn't dare express any admiration at all.

MALLOY: No. It was hard for us because in our culture we do like- we are trained to make the other person feel good. The other cultural thing related to hospitality is that the Kyrgyz host can never say "no" to a guest. That means that if you come to negotiate with them they always say "yes", whether they intend to do what you want or not, whether they agree or not, the answer is always yes. And people would come to see me from all different countries, businessmen, trying to get the lay of the land because there was no British, no French, no Italian, no Dutch ambassador based in Bishkek. I was the only NATO ambassador other than the German ambassador in town. So everybody would come through and talk to me first about how the Kyrgyz government ran and to tell me about their proposed project. That was wonderful because I got a sense of what was going on. But then they would come and see me on their way home and they were always so enthused, "oh, they said yes to everything." And I would have to say "okay now, did they say yes, I agree to do this, or did they say yes, I hear you?" And this look of panic would come across their faces because they did not know the answer. And I would explain that as they were the honored guest their host could not possibly say no to the proposal and that one could not close a deal in Kyrgyzstan in one interaction. In Kyrgyzstan you have to become a known interlocutor, you have to eat and drink together because if you will not eat with them that means you did not trust them. They can not trust you, if you do not trust them. You must come back another time. This whole concept was very frustrating

for Americans. And when I would get a message from Washington indicating that a U.S. Cabinet member planned to come through Bishkek on a lightening trip, they wee going to go Uzbekistan, Kyrgyzstan, Oman, they would be on the ground for all of three hours, and could I line up the appropriate meetings so the secretary could negotiate this all important deal. I could set up the meetings but in this culture you were insulting them so the deal was not going to happen. For Americans that was very hard to accept, we are very pragmatic, we want to get right to it but you can not do it in this culture.

Q: How'd you find your staff there?

MALLOY: My American staff or my local staff?

Q: Well both. Let's talk American first.

MALLOY: It was very hard for the State Department to fill these positions. We had quite a strong cadre of Russian speaking officers, more than enough to staff Moscow and eventually St. Petersburg, but when suddenly that expanded to all of the embassies in the former Soviet Union there just were not enough Russian speakers and the Department could not train new Russian speakers quickly enough. Plus, when you talk about Bishkek it did not have the cachet of going to St. Petersburg or Kiev or-

Q: No.

MALLOY: So this was definitely a hard to fill post. When I arrived we had an eclectic collection of people. My DCM was a management officer doing an out of cone political job. My management officer was a political officer doing an out of cone management job. My consular officer was a Civil Service State Department employee doing an excursion tour. My other entry level officer was a first tour officer who spoke wonderful Russian and had spent a lot of time in the region. I had no OMS, Office Management Specialist. Of my three years there I had one for less than a year and it did not work well. So everybody was doing something for the first time, something in which they did not have a lot of experience ,and yet I was extremely lucky to have these people. My public diplomacy officer was just wonderful and actually came with a background in Turkic studies. He was able to help us parse that little bit. But with a different group of individuals it could have been a tragedy. With this collection of people it worked. They were all very, very good and where they had weaknesses they were the kind of people who wanted to improve and would take on board constructive suggestions. And they also nicely augmented my weaknesses. So that worked well.

The Foreign Service nationals were a spectacular crew. We had, like I said, people with PhDs, we had physicists, neurosurgeons, all sorts of highly, highly qualified people, better qualified than I was in terms of educational background but we were one of the few places in town that actually paid salaries. There were lots of places where you could work but you would not get paid. We then created a community and every single Foreign Service national right down to the contract ladies who came in as the char force were treated with the same respect as anybody else. They found that very attractive and it did

not matter whether you were Uzbek, Kyrgyz, Chechen, Russian, Ukrainian; you were all treated the same and expected to treat each other the same. That was one of our fundamental rules and so it was a little laboratory for the kinds of traits we were hoping to disseminate.

Q: Did you find, speaking of culture, were there big chasms in the Kyrgyz society of Russians and Uzbeks and all that or was it sort of a free range society where- a little more like you might say Texas or something like that where people sort of meld?

MALLOY: The closest analogy that I could think of for traditional Kyrgyz society would be the American Indians, where there was very clear delineation into clans, different tribes, and within that tribe there was a hierarchy. What happened though was- even before the period of the Soviet Union, back in czarist Russia when the Russians came into the region, in order to pacify the region they started to break that all apart and the Soviets used carrots and sticks. First of all the educational system was set up so that if you went into the Kyrgyz language education system you ended up basically as a shepherd with no technical skills, low pay. If you wanted any kind of a job in the arts, the sciences, culture, anything involving higher education you had to go in the Russian language educational system and that cut people off from their culture. The president of the country had gotten all his education, upper education, in St. Petersburg as a physicist, as did his wife. They had adopted this very strong overlay of Soviet culture, which tended to disparage the little people. The Soviet Union was never egalitarian. Traditional Kyrgyz society is more egalitarian on the face of it as long as you respect these structures. Within a family the father is always in charge and within the clan, the tribe, it's the aksakals, the leaders, the elders, the older people, who were highly respected.

But women play a very strong role. You do not mess with the Kyrgyz women. They are very powerful in their own right. They never wore the veil, they drive cars; but they tend to overtly defer to men. Ironically one thing that worried us about democracy in Kyrgyzstan was that people were allowed to vote multiple times; not one man, one vote, but they would vote for other relatives who did not come to the polling station. We assumed, incorrectly, that in this patriarchal society men were taking the liberty of voting for the women in their family. We wanted to empower the women, so we checked into this practice. Well it turned out it was actually the women who were voting for the men in their families who had not bothered to go to the polling station.

As I mentioned before the foreign minister was a woman, the head of the constitutional court was a woman, the deputy prime minister was a woman; there were no problems with women in society but they would overtly defer to men.

I had a student in my home once at some reception and I asked what she would like to be when she finished her studies. She said "well, my father, my family, they think that I should be a dentist because we don't have any in our extended family." I said no, what would you like to be? And I just got a blank look from her, it was totally incomprehensible to her that she would not follow her father's wishes. So that was a more traditional society. I am sure that is breaking down now but-

Q: Did you have- With American women going there, both embassy personnel and also the non-governmental agency, could there be much dating with the Kyrgyz or was this sort of a working thing or was culture-

MALLOY: In the cities there would be absolutely no problem with dating. There was no animosity between the Kyrgyz and the Russians in that sense; they would work together, you would see intermarriage, but if you got out in the rural countryside it was much more awkward. We had a lot of difficulties with that because as American women want to show the world that we are independent and free, and we want to carry on our lives in the same way that we would at home in the United States. Some American women out in the countryside wanted to be independent but that did not sit well with the local cultural mores. For example, a woman walking alone in the hills, hiking, it is a normal weekend diversion, in that culture a woman walking alone in the hills was the equivalent of saying she was out there looking for sex. We had several cases where women were raped in the countryside. That is a horrible thing to happen to anybody but it was hard for us to convince American women that they could not go walking in the hillside on their own. In that society when there was any alcohol involved or evening fell, everything broke down, everybody who looked the most polished, Western person in terms of their behavior in the daytime, in the evening things were different and you had to be extremely cautious. I remember calling on a minister for my very first call, we were having a one on one introductory meeting and the man propositioned me.

Q: Where did that fit within the rules and regulations? Not on the first meeting.

MALLOY: No. Well, I pretended that I did not understand his invitation and said it was a wonderful idea. My husband and I love to do things like that, you know, we would be very happy to go with him. The minute I said "husband" that was it, there would be no more of that, it never came up again but it was another cultural thing that used to drive me crazy – the thought that there was no harm in asking.

We actually started an informal column in the embassy newsletter to talk about these cultural differences. One thing we the Americans were trying to convey to our employees, both the Russians and the Kyrgyz, was that there was harm in asking, because if you ask me something outrageous, something that you should know I could not do or that I would be offended, I am forced to say no and I do not like having to say no. So if my driver comes to me and says that he cannot see his mother because she lives 100 miles out in the bush, and then states that therefore he plans to take the official car this weekend to go visit his mother, well I have to say no to that. There is harm in asking because at the back of my mind I am always going to be thinking "boy, this guy has bad judgment to force me into that position." To them, in their culture, there was no harm in asking and if you became a friend- so if I wanted to develop a working relationship with a minister, I had to make myself available, and my whole family, to go out and spend the whole weekend socializing with the minister and his family. Then we were "friends" so we could work together, but a friend must do anything for a friend and I knew that almost

immediately I was going to get phone calls asking me for help with visas, etc. There was, in their minds, no harm in asking.

Christmas came around and the president's oldest son was attending the University of Maryland. The president's wife called me to ask if I had any embassy staff members heading to the States for the holidays. I had a feeling where this conversation was going, little alarm bells were going off. I responded that yes, some people might be going home for Christmas. She said that she would like to send some gifts to her son, could they carry them? I said it depended on what they were. So the next thing I knew a box about this big is delivered-

Q: You're talking about a box about two by-

MALLOY: Suitcase size.

Q: Two by four or so.

MALLOY: And I had said I needed to see what the gifts were but this box was all sealed with white paper and stamped all over it was a stamp that said "sealed by the president of Kyrgyzstan." My entry level officer was flying home the next day but I could not ask one of my officers to carry something unknown on the plane. I mean, anything could happen. So I had to open this box, even though I had to break the seal. Thank God I did because I in the box was a couple of little gift items but also this large glass jar about 10 or 12 inches in height and in it, it was filled with hunks of meat floating in water - horse meat - because their son missed horse meat and you can not buy horse meat in the United States. And then there was also, wrapped in wax paper, a roll of raw sausage. So none of this was properly packed; and you can not send fresh meat into the United States. It would all be confiscated at the border, if it even made it that far. So I took out the non-edible gifts, packaged them up in a smaller box , and prevailed upon my entry level officer to carry them back and somehow get them to the president's son. And I called the Kyrgyz White House and said that, unfortunately they would have to come and pick up the remnants of the gift box that I could not send. You would think I had just dropped a nuclear bomb on the Kyrgyz White House, that I had the audacity to open this package and I was sending back to the president's wife the meat she wanted to send to her son. And I, you know, I said I was terribly sorry but I explained that it would have been more humiliating if the package had been destroyed at the U.S. port of entry and it was such wonderful meat I wanted someone to be able to enjoy the benefit of it and I explained that U.S. Foreign Service officers did not enjoy diplomatic immunity and we were not able to bring things into the United States that are not…… It was very awkward but the gift box went back and that was the last time I was asked to arrange travel for gifts.

Again, it was a cultural trait, you do something for me, I do something for you. But we- I personally could not accept gifts, obviously; there are restrictions on that and I also could not do personal favors. They did not understand that when we say we are a rule of law society that we truly are. If you wanted to participate in our exchange programs you had

to qualify, it did not matter who your father was. If you wanted to get in the- any of these things you had to qualify based on your own right and not who you knew.

Q: As a consular officer of many years and with visas being a legal- governed by a great many rules and all, this whole idea, you know, can't you do me a favor and all, particularly in high ranking people, you know, getting asked by the president's chief of cabinet to issue a visa because somebody is the president's high school classmate, you know, this is not fun.

MALLOY: Yes, and- It worked out. At this time not that many Kyrgyz had enough personal financial means to travel to the United States so it was more common that we were asked to expedite their official travel, which of course we were happy to do. The other thing was that there was no international airline that flew out of Bishkek except the Baby Flots up to Moscow and the occasional Turkish airline flight to Istanbul. So most people had to start their travel from Almaty, Kazakhstan. As a matter of fact, every single one of the people we were sending on U.S. Government exchange programs, people in Washington did not realize that that meant I had to import dollars into the country to buy the plane ticket, I had to send an FSN in a car, which was an eight hour drive round trip, up to Almaty to purchase the ticket, I had to bring in more dollars to give an advance to the Kyrgyz traveler and quite often I had to advance them money to get a Kyrgyz passport and to pay the visa fees, because they had absolutely no means. And then I had to arrange a car to drive said person to Almaty. So I would get these requests from Washington, especially from the U.S. military before we had a defense attaché, the military would come in, 12 hours before the flight was leaving, to ask if we could you facilitate this travel? They had no concept that there was no bank, there was no airline office, there was nothing in country, so it was pretty tedious.

What else? Building a new embassy. Do we want to do that today?

Q: Why not? Let's do that and then we can stop at that part.

MALLOY: When I arrived we had- we were operating in what was supposed to be a temporary building. We talked a little bit about this before.

Q: A log cabin.

MALLOY: The log cabin. And we had made an abortive attempt to get a building that eventually became a children's museum but was deemed not to be seismically safe. It was sitting on a fault line that ran through the downtown and had poor Soviet construction. Our building folks (OBO) figured out that it would cost more to renovate it than they could spend. So they wanted us to go find a green field or an empty space and work from there. The difficulty with that was there were no such open spaces downtown. It was so congested that we could not get what was called "setback". When you build chanceries they have to be setback a certain distance from roads to prevent bombing and there was nothing in the downtown that would meet our needs even though it was a small embassy. The Kyrgyz government wanted to establish a diplomatic compound in the area

of what had been an old airport but was no longer used as an airport. They had built Manus Airport in a whole different part of town. And this proposed diplomatic compound also happened to be situated right below the presidential compound and near a fairly new hotel being build with Turkish money, a joint venture between the Kyrgyz government and the Turkish government that went bad. As soon as it was built the Turkish partners were threatened with their lives and driven out of the country and it then became a wholly owned Kyrgyz government enterprise. Their plan was to build embassies out there at this diplomatic compound and the hotel would do really well. Their hope was that the embassies would pay for all the utilities to be extended out to this distant part of town. The problem was that not one single embassy had agreed to go out there and everybody was looking to us to be the first embassy out there.

We eventually did finally agree with them on a plot of land out there and it was a plot of land large enough for the chancery, an official ambassador's residence and had expansion room for staff housing. OBO came out and signed all the documents. The land agreement indicated that this was totally empty, unoccupied land, there were no structures on it, nothing. We had no sooner signed on the piece of land and started negotiating what we would actually build when the city government came to us and said oh, actually it turned out there were squatters living on the land and we would have to pay them to leave. We dealt with that by saying well, that would appear to be your problem because you, the Kyrgyz government have signed a document giving us the right to use this land and saying it was totally empty, there was not a structure on it, nobody lived on it, nobody had claims so frankly, I am not too interested. But I did go back to Washington and told them that they would have a squatter problem so the first thing they needed to do was to send us funding to build a fence around the entire perimeter of this land. Otherwise as soon as we built the chancery people would move in to the rest of our plot and we would lose control of it. Unfortunately, they ignored that advice.

The second thing was the local government came to us and said oh, we just discovered that there is an old fuel depot right underneath your land and you'll need to pay to remove all these big fuel tanks. This is when I realized this was not going to be easy. So I said no- because they wanted the tanks back. I said you told us there was nothing there, no one had any claims, we will decide if we will just ignore those tanks or whether they are a hazard or if they have to be removed. But if you want them go in now and take them away, , be my guest.

Then they came back and said oops, there was a substation on the property, an electrical substation, and they would need continual access to come in there on a regular basis so we could not fence our property. They wanted unlimited access - to be able to come on to our property whenever they wanted. I said no, I don't think so. If there is a substation there, move it. You know, we are not going to build right away, it will be a year or two before we start, just pick it up, move it wherever you want, make it go away. And they said no we cannot move it as your embassy is going to need that. I said well no, we are not going to need that substation because you already told us we have to build gas, electricity, water and all other utility connections from the city. We have to run utilities out to the property so I don't need your substation. Well it turned out that they were

going to hook in to our utility lines to take care of all the residential neighborhoods out there, hoping to pony on to our system. Because they were having us build a substation of our own.

So this went on and on, we could not make any progress to even get the basic drawings done but we finally got to a point where we had drawings to give to the city administration. The city administration came back and said that conceptually they could agree to our design but they would need to charge us the standard tax on all new construction. We said no, we are a diplomatic entity, we do not pay such taxes. They said no, no, no, this applied to everybody. What is it for? It was to underwrite the cost of utilities that will have to be put in there. I said well, since we have to pay to extend all the utilities to our site, there was no logic in us paying you this tax to do the same thing. The tax they wanted was 15 to 20 percent of the value of the construction project in total, so in effect on this $16 million or $15 million project, they wanted 20 percent of that as a tax off the top. And I- at this point I was up to here with this, I had had it. And this had been going on for five years at this point and we were not getting anywhere. I had an embassy of people working in a dangerous seismic zone in a poorly constructed building. We had a team come out from OBO to look at the chancery building and they actually left us a drawing showed me how the building would collapse in an earthquake. They pointed out that the receptionist would be crushed by this part of the building falling in and these people would be killed here; they just laid it out in great gory detail.

So I started playing hard ball both with Washington, because at this point, even though they had leased the land, Washington was telling me they actually had not budgeted any money to build the chancery. They were giving me a hard time and the city was giving me a hard time. And what Washington wanted to build was one of the so-called modular embassies. They had built one in Turkmenistan- not module, pre-fab.

So I got this latest demand for taxes and the mayor and I have been doing a little dance around and he kept sending me to the planning people. The chancery was essentially one large open room, a big open bay. I had the only private office, everyone else was just in a big open half bay area, and there was a phone right in the middle. I decided it was time to come to closure so we got the guys at the city administration on the phone and I had my political FSNs speaking to them in Russian. It is easier to be angry in your own native language. I was standing right next to them and the FSN told me that the city administration guy was on the phone and that he wanted to talk to me about this and to explain yet again why we had to pay this tax. I had a little constructive hissy fit in English, asking out loud whether these people realized that this project was right on the edge, that the U.S. Government was deciding where it was going to invest its money, and if it could not be done in Bishkek that they were going to spend their money to build a chancery in Tajikistan, which was true. And I added that if we could not build a new chancery we were going to have to shut down and go away because it was unsafe to be working in our present building, either the city signed off on our design plans without taxation that day or this project was over. My FSN's eyes got bigger and bigger because they had never seen me angry or heard me raise my voice. He asked what he should tell them? I told him to tell them exactly what I had just said. So he did. The next day the city

administration just signed the documents and approved the project without a demand for taxation. The political FSN came to me later and was a bit worried. I explained that I thought that was the only way to bring the city administration to closure and reassured him that the embassy was not leaving town.

However, I then had the U.S. side to deal with so I had to call on poor Pat Kennedy, who was then running FBO, now the Bureau of Overseas Office buildings. He very politely explained that they did not have money in the budget to build a chancery in Bishkek and that it had taken so many years to reach agreement on the land but now they would need so many years to come up with the money. So I said well, I understand that you have just sold a couple properties in Europe and so you have got this money. He said yes but it had already been tagged, designated for rehabbing an ambassadorial residence. I said okay, today is such and such a date, and it would take you 18 months from today to build the chancery so starting today the clock is ticking. If there was an earthquake a year from today and somebody was killed you would be off the hook. If there was an earthquake 18 months and one month from today and somebody was killed, a memo of this meeting today would go to the accountability review board and it would show that you had the power to build the chancery and to save these lives but you chose not to. You chose to spend it on these other projects. It would be up to the accountability review board to decide what was the right thing. We got our money, approximately 18 million. I ran into Pat a couple of years after that and he was briefing a new incoming administration. He said "I'm just going up to tell them about how you could spend $18 million that you had never budgeted for."

We still get along great. I found in this job I always had to be pushing the envelope, whether it was with USAID or with the Kyrgyz or with my own government, you had to be really aggressive to get things done.

Q: A pushy broad.

MALLOY: You had to be a pushy broad. If I was a guy it would be described differently but yes, as a female a pushy broad would be one of the nicer things that people could say. But I, you know, I felt I had to stand behind my people.

Q: Oh yes. Well no, I mean this- I've done an interview with Prudence Bushnell, talking about how she had been complaining about the vulnerability of her embassy in Kenya.

MALLOY: And she had- and she was on record.

Q: And a bomb went off and a significant number of people were killed, several hundred including a good number of Americans. And she did not let the administration off the hook, you know; she spelled it out. I mean, this is, I mean, you know, we are talking about-

MALLOY: And you have to be prepared not only to play tough but for people to play tough against you. A couple examples:

I had a USAID contractor working on energy projects and she was just there to do the theoretical right thing but she was working against the interests of some entrenched people. And it got to a point where her life was threatened. They wanted her to go away. She was trying to push parliament into passing legislation that would shut off some rather lucrative opportunities. So she was under threat. So I actually had to bring her into my home for the last two or three weeks of her time there so she could finish her job without being driven out, and the message being if you want to attack her you have to do it in my house. And I do not think Washington understood that in this environment murdering somebody was socially acceptable. I got crosswise on one gentleman, I was endangering a deal worth only about $15 million, which for us was small potatoes but over there it was an enormous sum. It involved a diversion of an arms sale, and I was under instructions to cut it off, do not let it happen, and I was not getting traction so I had to go to the very top. I eventually called on the prime minister and told him he would be embarrassed if this happened but his government's signature was on the documents even though it was a bogus sale and he had to stop this. He called in a gentleman and said "here's my right hand guy and I will have him take care of this; don't worry, he'll fix it." And that night there was an assassination attempt on me, my child and my husband. We survived and only subsequently found out that the person behind this whole diversion thing was his right hand man. And I was getting in the way of his payoff. And, you know, we all believe in diplomatic nicety and everything but in parts of the world people do not play by those rules.

Q: Well let's talk a little more about this. How did the assassination attempt work?

MALLOY: We were in an apartment complex at this point and in the middle of the night- we had a guard outside our apartment in a little booth on the stairwell landing, 24 hours a day. The intruders cut the telephone lines to the building and they cut the electrical power to the building. A group of masked men came up to our floor but what they did not know was my wonderful management officer- there had been so many serious break-ins, I think I mentioned this before, that the thieves would come in and clean out the entire apartment- she started installing metal- steel doors on our apartments as a deterrent. We found a company to pre-fab these doors and put them on to make it a little bit harder, because they were coming with big power saws and going right through the thickest wood door. So they had obviously cased it at some point but a week before the management officer had installed this big steel door on our apartment, which they did not know about, and they did not have any way of getting through that. They thought the guard had keys but we would never leave the keys to our apartment out with the guard. They stabbed the guard and set his booth on fire but they could not get in, basically. And they ended up running away. And the analysis done afterwards was they did not come with bags to take anything away so they were not robbers, and they did not come with rope or anything to tie us up so they were not looking to do that.

Q: Well how did they investigate, because something- I would think investigations in that society would sort of disappear.

MALLOY: Yes. Well it did. And we did not have an RSO (regional security officer) either, and our apartment was on the second floor and there were no bars on the windows so our unarmed security guards, who were so sweet, volunteered to take turns sleeping on our couch at night so that somebody would be there if we needed help. And we had to send our then five year old daughter off to friends for a couple of weeks. We had to decide if we were going to stay, and the police were supposedly looking into this but a few days later the embassy received a phone call saying "don't relax, we will back." There was no viable police force and there was no way to protect oneself. You just have to- The Turkish ambassador was horrified and he said "I have a shotgun in my home and I make it very public that I have a shotgun so they know not to come in". But we talked about it and even though both my husband are trap shooters, the perils of having firearms in the house with small children at that point were- it just would not work. So we thought about sending her back to the United States and my husband thought about leaving but in the end we decided we would all stay together or none of us would stay. So we all stayed and finished the tour but it was, at times, grim.

Q: Well did they catch the perpetrators?

MALLOY: No.

Q: You just know who it was?

MALLOY: Yes.

Q: Could you go to the- sort of the instigator of this and say, you know, the CIA always gets its man, or something like that?

MALLOY: No, no, you can not do that. Everything in Central Asia is face; you do not ever face up to anything directly. He subsequently died a horrific death but not at my hands. He came down with a terrible form of cancer.

But, again, you are just making it all up as you go along; there were no rules and if you try to follow rules-

Q: This is probably a good place to stop for now.

MALLOY: Yes.

Q: Is there anything else we should put down that we'll pick up the next time?

MALLOY: On Kyrgyzstan. Well, we talked about trafficking in people and I talked about morale; did we talk about north-south relations? We did a little bit.

Q: Yes, I'm not sure that there's much on that.

MALLOY: On that. That's pretty much-

Q: Okay. Well, if you think of anything we'll pick it up and we'll stop here. Where'd you go, by the way, when you left-

MALLOY: When I left Kyrgyzstan? I came back to EUR as DAS for East and Central Europe.

Q: Okay, today is the 30th of June, 2009, with Eileen Malloy. And Eileen, you were in Kyrgyzstan from when to when now?

MALLOY: Nineteen ninety-four to 1997.

Q: Alright. And we have a few things to finish up there.

MALLOY: Well, one thing that I have been giving a lot of thought to, just from looking at the media now over the work we are doing in Iraq and Afghanistan, is the whole concept of transformational diplomacy and assistance work, and what strikes me is that we were doing all the same things back then, we just did not call it "transformational diplomacy" and some of the most productive and successful of our assistance programs were in the rule of law area. One was developing civil society and facilitating NGOs, which was really very, very effective. And another that stuck out in my mind was when we took judges, lawyers and parliamentarians involved in drafting laws and sent them on targeted programs in the United States to learn how we do it but also to introduce them to well known jurists in the United States who had volunteered to act as mentors. Then when these people returned to Kyrgyzstan, if they drafted legislation they could email package it to these mentors who would give them feedback about strengths, weaknesses. It was a spectacular program, limited only by the weaknesses of the infrastructure in Kyrgyzstan. It was very slow to send emails, especially e-mail packages in those days. But programs like that are now being used in Iraq and if you about read them in the newspaper it is as if this is a whole new thing and-

Q: Well all these things- When we talk about "transformation" all these are catchwords; what do we mean?

MALLOY: What we mean is stimulating a process to reorient to society. Now of course we are looking from our own perspective of where they should go and one of the great difficulties in the field is allowing that vision to morph for the local circumstances. In other words, democracy in Kyrgyzstan is never going to look like democracy in the United States. They would frequently point out to me that we had 200 years to work on ours and they had only had less than a decade. Our expectations were really very lofty but generally transformational diplomacy is just that; how do you provide targeted assistance to get an economy, a body politic, a government, a society headed towards a mutually agreed track, which is usually democracy.

Q: I would think that particularly when you take a society moving out of the Soviet fix and here we are, we have, I mean, which is sort of basically much more Napoleonic in

law and ours which is much more, well it's the English common law, that these two wouldn't mix at all.

MALLOY: It was difficult. I have to say from the start that the Soviet overlay never worked as part of Kyrgyz culture. They adopted the best of what they saw in the Soviet empire but not all of it, so that was- you would find a great difference, let us say, between the former Soviet experience in Ukraine or Moldova and that of Central Asia. But also they, I would not say they had traditional law but more traditional mores and ethics and cultures which guided them, and the difficulty was not so much adapting the Soviet laws as getting them to look beyond those traditional mores, like respect for elders, anything that the aksakal or the elder said was judged to be correct. It was inappropriate for people to criticize or disagree and that stifled dissent and new ideas. So it was more of a struggle for us dealing with those deep seated Kyrgyz, almost Asian, cultural mores.

Q: Did they also have sort of the thing that I used to see in Saudi Arabia, where the ruler or whoever it was, governor, would sit surrounded by his council and people would come up and make petitions or present cases and there would be consultation. I mean, it's very tribal.

MALLOY: I can not say that I was out watching the governors in the various provinces work, in their day to day work, but certainly theirs was the final decision but you would not necessarily go directly to them. The key was to figure out who motivated them, who did they owe, who was in their clan, and you would go to that person, so it was always a very complex kabuki. But they did not have formal sessions like that.

One of the things that we were trying to do was to empower local governments and in doing so we were running against the grain of this centralized, top down authority, abut we had some good successes there. We kept running up against two issues: we did not have the funding to give them to do all of the things that they needed to do; and we were pushing them to do things that were not culturally comfortable for them. The one thing that I came away with at the end of this whole process was that we were approaching this all wrong. If our desire was to take a country like Kyrgyzstan and set it on the path and set it free and let it make its own decisions, that was one thing, but if our end goal was for them to end up at a certain preset place we needed to do things much earlier on.

For instance, we wanted to empower the parliamentarians to be a real force and part of the checks and balances of democracy, perfectly good goal. We also wanted the country to pass an energy law, water sharing laws, all sorts of complex technical pieces of legislation. We had these two projects going simultaneously, projects designed to train the parliamentarians to be an effective check on the power of the executive branch, and also projects at the ministries to help the government craft appropriate laws on property, water, energy, whatever. By the time that legislation was ready to go to parliament we had created some very independent minded parliamentarians who then decided that it was right for them to simply take what was handed to them by the government or handed to them by a U.S. Government funded advisor. They started shredding it and ripping it apart with no real information of their own. I mean, they were not technical experts and alas,

what was lacking in their parliament was any kind of committee structure; everything was done as a whole so it was very burdensome. In hindsight, if we felt that having these pieces of legislation were essential building blocks you would want to push that through at a very early stage. So my point was that we did not really know how these things would evolve and so we did it piecemeal and then ended up with some excellent legislation which we then could not get through a creature of our own making, this wildly independent parliament.

Q: Well, speaking of, you know, putting things together and- I mean, did we have- I mean, we the United States, have a plan or something or were we sort of hitting this, you know, let's do constitutional law and let's take care of water rights or property rights and all; I mean, in other words was anybody putting this together?

MALLOY: Eventually we had a plan. Initially there was a plan, the sort of ideal. That went by the wayside for several reasons. One, and I can only speak to Kyrgyzstan here, not because there are great differences amongst the neighbors but one, you had to go after targets of opportunity and I think I mentioned this before, you would not necessarily go down a textbook path. If you ended up with a governor who, for one reason or another, was predisposed to work with you on property rights you would just have to drop in there and do that and hope that you would create a dynamic where the other governors could see the advantages and would then become more receptive to your project. So things got out of whack that way.

Also, we did not have the money to do everything that we thought we should be doing; even though it was the highest on a per capital basis it was actually very limited. Fifty million a year sounds like a lot of money but when you think of the costs of the U.S. contractors, most of the money was eaten up by that. There was very little left over for us to put into the projects that the Kyrgyz government wanted us to focus on. Projects would be more short term in nature and generating revenue, for instance, the investment fund had a relatively small amount of money in it plus it was virtually impossible to find a business that could responsibly be leant money in the sense that property rights were not clear, there was no way to do due diligence, so there were a lot of impediments.

One thing that happened after I left Kyrgyzstan was that there were attempts through this new foreign assistance process to give the individual chief of mission or ambassador more of a say over U.S. Government funding being spent in the country to which he or she is credited. And I think that is actually a very good approach. I had virtually no say or control over how that money would be spent. I could make requests and I could attempt to influence it but I had no power over it.

So yes, there was a plan on paper. Did it play out that way? No. I mean, you have to deal with whatever openings you have and then sometimes you have tremendous openings for a plan but for other reasons you have to step back from it. If the people are not willing to meet your conditions, we do not simply hand over money but it has to be done in a transparent manner, they have to agree to eventually allow the General Accounting Office access to determine whether it was used appropriately, sometimes they would

refuse to do that. If we could not see that it was actually going to be used for the purposes we wanted it to we would have to back off. So there were- it was very, very hands on. We also did not have enough resources in the embassy to watch all of these programs and do due diligence and feedback on how effective they were. I did not see that kind of analysis going into this, you know, five years after.

Q: Well did you see- were you concerned about what was occurring in Russia that is indicative of these- what they consider called oligarchs or the Russian Mafia? I mean, basically people coming essentially out of the party but was taking advantage of the dissolution of the empire to grab pieces of the apparatus for their own benefit.

MALLOY: Absolutely. In the energy field it was exactly those groups in Russia who had control over natural gas and oil, that had tremendous say in Kyrgyzstan politics. And we would look at the different Kyrgyz leaders and try to figure out who they had aligned themselves with and that gave us a sense of how they were going to make their decisions and legislation on energy. A key goal for our U.S. Agency for International Development assistance programs to get them good solid technical expertise on how to come up with a rational and fair energy law for the entire country but we were tilting at windmills with that, because not only did we have the problem I mentioned with parliament now wanting to parse it and take it apart, but some very, very strong and influential players from Russia who wanted to control the whole energy scene.

Then there was also another dynamic on energy and that was the relationship with Uzbekistan on water sharing, because electrical power is generated by hydro in this region.

Q: Well actually Kyrgyzstan, it's one major resource, isn't it?

MALLOY: It is one of their few, and in a perfect world the Kyrgyz- The water, first of all, comes from snow melt, not from rainfall, so you have a very limited opportunity to corral that water when the water is flowing and if you want to use it in the winter, which is when Kyrgyzstan needs energy to heat homes and run all sorts of things, logically you would store it through the summer and then run it through- let it out of the dams and through the hydro plants in the winter and generate energy. They could not do that because if they held it and did not allow it to flow downstream into Uzbekistan, the Uzbeks needed it for irrigation, the Uzbeks would threaten the Kyrgyz and then in the winter the Uzbeks would hold the Kyrgyz hostage because they can control the energy supplies. The Uzbeks had their own energy; they had gas, they had oil, and they were one of the prime suppliers to Kyrgyzstan. So if the Kyrgyz did not do as the Uzbeks liked they would shut off the energy in the middle of the winter. When we talk about did whether there was a plan, the answer was yes; but were there outside forces? Absolutely there were. And they had more media power than we did.

About a year into my time there the Kyrgyz figured out that they had pretty much gotten everything they could out of the U.S. Government. They had tapped every well, they were working every program, and their great disappointment, much as they appreciated

the technical assistance and help we were giving them, was that we were not showing up with business investors and sacks of money to create jobs. And what that said to me was that they fundamentally misunderstood what a free market economy was all about. They were still looking to us as a government to bring business investment. We could organize trips and try to get U.S. businessmen in there but quite frankly that was a losing proposition. And that ran against the prime role of our Department of Commerce, which was to facilitate exports of U.S. products, not to help foreign governments export into the United States. So at that point I was running out of carrots to motivate good behavior. This was before the creation of the ambassador's fund. Now there are different funds that ambassadors can throw at problems like this. But one Kyrgyz official who was very influential, who had the president's ear, and was y running the whole finance system, point blank told us that the Kyrgyz did not need us anymore, that they were now going to look to the IMF, the World Bank and the European Union for money to stimulate their economy. They felt that they did not have to do what we wanted them to do, because all of our assistance came with conditions that they found less than comfortable. So the challenge for my last two years was to find new carrots and sticks outside of our financial clout.

Q: Well we- In the first place, were you getting much, well, advice or knowledge about what was happening from the Moscow perspective while you were there?

MALLOY: We were on the collectives for cables out of Moscow and we read them avidly. We had lots of high ranking visitors who would sit down and help us put it all into perspective. I did not feel cut out. It was when we got below the policy level - to the practical application – that we felt a void. I tried to set up sessions with the other U.S. ambassadors in the region so that we could compare our experiences and use that knowledge to make informed decisions. But we were only working with the year or two years that we had been there; there was no body of historical knowledge for us to consult.

One of the ways in which I tried to make up for the fact that I did not have a big bag of money to put on the table was to develop my personal ties to the president and his family and other key players because in Kyrgyz society that was hugely important. I was the only ambassador, of any country, who had brought his or her family to reside in Bishkek. I was the only female ambassador accredited to the Kyrgyz Republic at that point, but none of the other ambassadors, even if they brought their spouse, had brought a child to actually live and reside in Bishkek. The fact that my daughter was there with us-

Q: How old was she?

MALLOY: When she arrived she was in kindergarten, so she was there for kindergarten, first and second grade. The president and his wife and many other people were just so impressed that I trusted their country enough to have my small child there. It had been a pretty big question for my husband and I but we decided to do it. And that allowed us as a family to socialize with the Kyrgyz. Otherwise, if I was just a single female, they could not have the traditional Kyrgyz family to family interactions. Towards the end of my time, in the spring of '97, my daughter and I received an invitation from Mrs. Akayeva

and her youngest son to visit Jalalabad, one of the provinces in the southern half of the country. She wanted to show this to me. It was the one province that I had visited the least. They knew me pretty well by then so they knew I was a photographer and they knew I liked water. So I agreed to do this, thinking we were going on a hiking trip. We, our children and a huge entourage that included a cabinet minister who had originally come from Jalalabad flew down to Jalalabad, got in cars and drove off to site, where we immediately were put on horses. That was the first I realized that this was a three or four day horseback ride through some of the steepest mountains you have ever seen in your life. Basically the first day the horses had to walk up a mountain stream; it was the only way to get enough purchase to get up the hill. And I had not been on a horse in years, number one. Number two, the Kyrgyz saddles are basically wood with a carpet over it, extremely uncomfortable, and also I had this young child who, while she had been taking horseback riding lessons would be trekking over the mountains with no safety gear or equipment. There were no helmets and there was no medical care within thousands of miles. So, this was a big gulp but you just had to go with it and do it.

We had a bonding experience. We would stop for the night, have barbecue for dinner and sleep in the outdoors in the yurtas. My daughter loved it. She and the Akayev's son would race their horses and go off to all different places. She still, she is now 20 years old, she still talks about that trip. So from that perspective it was great. We had a lot of quality time together and I got to have some good discussions with Mrs. Akayeva, who was hugely important in the government on any issue having to do with children, culture, education, things like that. I had been having conversations with her for over a year on the issue of adoption; I had visited orphanages and what struck me was adoption by foreigners was not legal. There were so many children in orphanages who could have been adopted by families so we had lots of good discussions about why this just did not work for them in a Muslim society. Mrs. Akayeva explained to me on this trip, that even if there was just one distant relative still in Kyrgyzstan it was preferable for the child to remain in an orphanage and have the experience of being part of a Kyrgyz family. And she also clarified that a lot of the children in orphanages were not actually orphans but rather children whose parents were in jail. They had more and more people being involved in the drug trade and drugs coming up from Afghanistan. While the parents were in jail the children were put in orphanages but that did not mean they were available for adoption. But we did have some good talks about the Russian children in orphanages and whether it would be culturally acceptable at some point for foreigners, including Russians from Russia, to adopt these children, rather than have them spend their lives in institutions. But we were never able to complete that issue before I left at the end of my tour but this trip was a really good opportunity to have that kind of slow, careful discussion.

Q: With the Kyrgyz culture was there the problem of almost the need to have male offspring so that too many female offspring as far as infants would be either left to die or with sonograms, I mean, would be aborted?

MALLOY: First of all they did not have the technology to do sonograms but I never discerned any of that as you would find in China, for instance. Women in Kyrgyz society

were valued members, they were co-equals. In public they would always demurely step back but in private, you knew that these women were not to be toyed with. And daughters were valued except the only area where I saw a difference was in terms of higher education. If the Kyrgyz family had to pay to send a child to school they would be more likely to pool their money to educate the boys. We started to see that upper education for females was declining. But that was it. I would not say that the children in orphanages were predominantly female; there were lots of young boys that I saw there as well.

By the second day of our horseback, and this was hot weather and hard riding and when you sleep in a yurta there is no place to take a shower, being a typical American if I did not get a shower a day I get grumpy. So I was really looking for some place to take a shower. We got to some place in the mountains and they said that we were going to leave the horses and go down to a mountain lake. I said fine, that's great. We got in a little boat and were dropped at the far edge of this beautiful, almost glacier type lake. The minister took my young daughter and the Akayevs' son off for a walk and when they were about a half a mile off in the distance Mrs. Akayeva announced that it was time to swim. At this point the soldiers who guard her had taken the boat and left us three ladies – Mrs. Akayeva, a friend of hers, and me – on our own. Well, of course I did not have a swimsuit with me but these ladies knew that they were going to go swimming so they were in bathrobes. They just took their bathrobes off and they swam in their underwear, having brought along an extra pair to wear on the boat ride home. If I swam in my underwear I would have nothing dry to put on but I really wanted to go swimming at this point. So I said to them we are all alone, would you mind if I just went swimming au natural? And they said no, not at all, but of course. They got in the water, I got in the water, it was freezing cold. If you think of a glacier lake in June after about 10 seconds it gets so cold that you want to get out. So I announced that I was getting out but Mrs. Akayeva said, "no, I don't think that's a good idea." I asked why not? She pointed out that the boatload full of guards was returning. And I turned around and the boat full of soldiers was just pulling up to the shore to talk to her and I there I was in the water, stark naked. I had visions of the local newspaper printing a picture of, Madam Ambassador au natural but fortunately for me, Mrs. Akayeva waived the boat away and I do not think that the guards realized what was happening.

Q: Open diplomacy, openly arrived at.

MALLOY: Yes. While she was sending them away my lips were turning blue and my feet went numb. Then I quickly got out of the water, got myself dressed. They graciously came out and put on their robes and changed under their robes. They all knew how to do this but had they said a word to me beforehand maybe I could have been prepared as well. And at that point I realized that the two children and the minister are sitting on a hill about a half a mile from us, watching the whole thing.

It turned out Mrs. Akayeva practiced, I never got the name, but there is a school of thought or ritual in which they bathe outdoors every morning in extremely cold water - even in the winter, and then air dry. They do not believe in toweling off, and she believed that this regime was really good for your health and wanted to introduce me to this

method. And she had tried on a previous visit; she wanted me to meet her and her lady in waiting at midnight to go for a swim in Lake Issyk-Kul also skinny dipping but I ended up demurring on that because I knew she would have lifeguards with her but this time I got caught.

But anyway, we went on from there and we had a really good trip and it was a good bonding experience. However, they could see that I did know how to ride well even though I was not terrifically comfortable but I had been raised around horses but never really been comfortable with them. They decided, at the end of my tour, to gift the horse that my daughter had been riding on this trip to me. So a couple of weeks before I left I got a phone call saying please send somebody around to pick up your horse. As I mentioned before, it is a common custom to gift a horse to a distinguished visitor. While there is nothing unusual about being given a horse but it was considered bad form to eat it, even though the Kyrgyz do eat horses you were not supposed to eat gift horses. You were supposed to take them, admire them and ride. But A: this gift exceeded the value of anything I could accept, even from the host government, and B: I could not transport it home to the States; it would cost $20,000 to ship it back to the States, even if it was just given to the State Department to be auctioned off. There was really not a whole lot I could do so I had to come up with a complex re-gifting arrangement.

My parents came to visit towards the end of my stay, the last fall that I was there. My father is a great white hunter, been all over the world, Africa, elephants you name it. He wanted to hunt ibex in Kyrgyzstan, which is legal if you pay an enormous amount of money for the license. You can pay even more money if you want to hunt the Marco Polo sheep, which is the big one, curly one, which is protected in most parts of the world. It is actually legal to hunt the Marco Polo in Kyrgyzstan, it is one of the few countries in the world where it is legal. At that time a license to hunt the Marco Polo cost about U.S. $17,000, so I told my father that if he wanted to hunt a Marco Polo, he had to buy a license, which would cost thousands of dollars. Even for him, was a big hit. But he came with my stepmother and a friend of his and the friend's wife to visit Kyrgyzstan and hunt for the ibex. They wanted to charter a helicopter because, none of them being spring chickens, really did not want to ride mountain ponies up to the mountain peaks where these animals live at quite high altitudes. So he contracted a helicopter but in this country helicopters were not particularly safe. As a matter of fact there had been a terrible crash of a chartered helicopter leased by the Canadian gold mining company the year before in which a number of Canadians were killed. In general we in the embassy did not use the helicopters so I was a bit worried about this. The president was also worried about it because the last thing he wanted was my father to be hurt in country.

When the day came and they went up by helicopter it turned out to be a very well appointed rehabbed helicopter, not the normal one, and I was relieved to hear that it sounded like it was quite safe. Only later did I find out from the head of the Canadian gold mining company, Kumtor, that during this time period when he wanted to use the helicopter that his company had refurbished he was told it was unavailable. What turned out to have happened was that the Kyrgyz commandeered the gold mining company's helicopter and used it to transport my father because they were so worried that the

helicopters available commercially would fail. And I was horrified because this was the last thing that an ambassador ever wants done. I also found out that the president told my father, because the president had all of us over for dinner, that he should just shoot a Marco Polo and, for him no license would be required. I had to jump in and tell my father and the president, "no, I'm sorry but I don't want to spend the rest of my life in jail. If a license is required and if he wants to shoot it, he has to pay for the license". So the president was unhappy with me over that. Subsequently the president visited the United States in July of 1997 and my parents invited him and his entourage to their house on the Eastern Shore of Maryland for dinner, this was reciprocity for the dinner the president hosted in Bishkek. As you can image, having a head of state- I mean, this was a huge undertaking. The Secret Service had to escort him, they had to come out and view the place in advance. We out on a big blue crab feast for them. I thought the Secret Service would be irritated; it turned out they absolutely loved it because they got to come out and have crab.

Q: Yes.

MALLOY: And the local police absolutely loved it. And there were people out in the cornfields patrolling and they loved the game room, which was all full of African game and elephants and lions and everything that my father has accumulated over the years. But the real worry for me was the Friday afternoon traffic out of Washington to the Eastern Shore. The president was on a pretty tight schedule and this was Friday in July, Friday evening, getting from Washington out to the Eastern Shore of Maryland.

Q: Friday too, yes.

MALLOY: Right. So I was thinking this trip would take them three hours. They were there in record time, one hour. I was flabbergasted and I asked the escorts how they did this? And he said they just drove up the shoulder with all the sirens and the motorcycle escorts and just blew right through the traffic all the way. The Secret Service can do anything.

Q: Yes.

MALLOY: So the president and his son were thrilled because they had this great roaring ride. The crabs were a bit new, none of them knew how to eat crabs but they all had a great time. He was grinning from ear to ear the whole time, the president, and I could not figure out what was up because it was more than the ride and it was more than the crabs. Finally he said "I have done something, Ambassador Malloy, that is going to make you very unhappy but it's going to make your father very happy." And he told his minions to go out to the car and get something. He had flown to New York in his official plane and then from New York down to Washington. He smuggled into the country a dead Marco Polo sheep that he had somebody shoot for my father and that he had had stuffed. It was carried into the game room and he told me that it was for your father. And I was thinking I was going to be sent to jail. I can not accept this gift and yet here was this president handing me this thing that can not even be brought into the United States…. and he just

roared with laughter. He thought it was the funniest thing that- In the end he wanted my father to have this and my father was going to have it. It stayed in the game room for a year or so but then as it had not been properly prepared, they are not great at taxidermy, little things started appearing and eating it. We had to take it out and have it mercifully taken care of. So the Marco Polo sheep is no longer there. I believe my dad still has the horns but the rest of it followed its natural course. But the whole family bonding thing is really, really, really important in that culture, and that was my first exposure to that. Before that tour in Kyrgyzstan I would work one on one with my counterparts and they did not have to worry about my family and I did not have to worry about theirs but this was the first all encompassing-

Q: Well you know one of the problems, I would think, would be alright, you've worked at this bonding, really getting things done and then you're replaced by somebody who's obviously going to be of a different personality, maybe different gender; I mean, the whole thing, you know, is just different. And what does this do to- I mean, is this a concern and how does one deal with it?

MALLOY: It was a concern. I was replaced by a female ambassador but one who was as different from me as chalk and cheese.

Q: Who was that?

MALLOY: Anne Sigmund; she was a USIA officer and obviously when USIA was merged into State became State. First of all, I am six foot tall, my husband is six-six. I mean, to the Kyrgyz we were enormous. The Kyrgyz thought that most Americans were tall after seeing us, and Anne probably was more like five foot tall. And while I am probably not the most outgoing person, I am an introvert but officially I was very extroverted and spent as much time as I could with people, out and about. Anne was quite different in that and so there was a tough adjustment, both for the mission staff and for the embassy's relationship with the Kyrgyz government. I think I mentioned previously that my DCM and I, Doug Kent was my DCM, decided early on that because the relationship would be based on personal rapport that I could not be viewed as very, very close to the opposition and simultaneously have this relationship with the president so we divided the world and I dealt with government officials and the president and he dealt with the opposition and we kept each other fully informed. My successor spent more of her time with the opposition and was more publicly critical of the Akayevs and, as I understand it, very quickly found that she could not interact with them. And some of the subsequent ambassadors found that President Akayev would not even see them. So it was a tradeoff; there was a public perception that you were not pushing the head of state when in reality you were but you were doing it privately because only in private can they accept criticism or dissent.

I think I mentioned earlier that my very first meeting, when I presented my credentials, I was openly publicly critical of him on live TV. My last public event with him I had to do the same thing and it was very, very tough because in the intervening period my criticism had been veiled or in private. My last official function was to speak at the first ever

graduation ceremony for the Kyrgyz American University. When I arrived in 1994, the Kyrgyz American faculty at Kyrgyz University had already been opened ceremonially by Vice President Gore. A small group of students were focused on studying an American style curriculum and they were working towards getting accredited while I was there. We had put a lot of USIA money and assistance into this and assigned a faculty advisor to assist the faculty's management. The first cohort was going to graduate in the spring of 1997 and they asked me to be the speaker at the ceremony. President Akayev was also going to be there, and I and my embassy staff and Washington all decided that it was one of those pivotal moments when we had to give the Akayev administration a stern message. Strobe Talbott did it at my swearing in ceremony, a very tough message for them; I did it on my presentation of credentials and now was another moment. It was awkward but we did it and the president took it from me and did not react negatively, only because we had those three years of a relationship built up. My comments at the graduation ceremony got a great deal of press play.

The difficulty was that I had just had a severe back injury and I was barely able to walk at that point. It was very, very difficult for me to actually get to this ceremony and to get out of the car. I had a dislocated bone in my back and so I think part of the reason the president did not get too angry with me was he could see what pain I was in. But I dutifully delivered my message and I really meant it. I am not saying I disagreed with it; it was just very, very tough.

Q: What was the message?

MALLOY: Well, he was, you could say backsliding on democracy. I do not think he was ever as far forward as Washington thought optimistically but he was taking some very tough steps to restrict media and to restrict the free practice of religion, and also beginning the process to change the constitution to allow him to stay in office longer. All these things were out there on the horizon, and he was being pressured by the Russians, the Kazakhs, the Uzbeks, to do things that we thought were negative in terms of evolving into a democratic free market economy. So this was to be a message saying you really need to think about this, you need to watch what you are doing. And the university graduation was the perfect place to do it but it was an awkward way to end my three years. So when he came to my father's house after that, in July, I took that a sign that he had accepted that with good grace. But I do not know that other ambassadors had the luxury of building up that kind of relationship before they had to make some tough statements. They just walked right in to it. I was lucky that I had that time.

Q: Well then you left there- Is there anything else I should cover, do you think?

MALLOY: No. I left there in July of 1997 and the reason I left then, it was right after the July 4 celebration, which was my third and last, and the president was going on this visit to the United States so I was to accompany him. The difficulty being, as I said, I was barely able to walk. We had to fly economy class in those days, even ambassadors, if it was not my last trip out at the end of my tour. I had 23 or 24 hours in the air to get back to Washington and then I had to accompany him to all his meetings. It was a chaotic rush

as my family decided they did not want to stay behind in Bishkek and we were going to depart for good in time for me to accompany the President on his trip. It would not have been wise for me to fly all the way back to Kyrgyzstan, turn around, and come back to Washington. It ended up totally messing up my travel voucher because my orders were for me to come back TDY but then because I did not have that official trip home at the end of my tour I did not get the per diem for being in temporary lodging. They did not know when to start my home leave. My family did not get any per diem so it was really, really complicated because of my medical problem but in the end it was the right decision for me, just an expensive one.

But President Akayev's visit was a good trip. The only disappointment with the President's trip was he did not get to see President Clinton. For leaders of Central Asia that face time was critically important. We had made clear that he did not have an appointment with the president; he did have one with the vice president. But he kept hoping that something would break or we would- And indeed, right up to the last minute we were trying. When I brought him to the White House to see the vice president, his staff first brought me in to see Vice President Gore alone for a few minutes. He was a very busy man, working on papers, and he said "okay, so what is the president going to want?" And I had prepared my 30 second spiel and I said "well he's going to go back a very disappointed man because he hasn't seen President Clinton and he's going to lose face." And Vice President Gore, who was quite friendly with President Akayev and had seen him on a number of occasions, stared at me and it was clear that this was news to him. He understood instantly, and said that I should wait there. He got up, walked down the hall and tried to pull President Clinton out of a budget meeting and could not do it. He came back and said that the President's advisors knew President Clinton and there was no such thing as a five minute meeting. If he came down and started talking with President Akayev he would be there 40 minutes and his whole day will be screwed up.

So we went in and had the meeting with Gore and throughout the whole meeting the president's eyes kept going to the side door, waiting for Clinton to walk in and towards the end I could tell he was disappointed and I felt really bad. I had tried my best but there was no way I could deliver a meeting with President Clinton. Akayev had one last request of the Vice President, he said, "Kyrgyzstan is a mountainous country and we'd really like your support with one thing, the UN- there will be a proposal that the UN designate the Year of the Mountain, we're one of the supporters of this and we'd like the U.S. to support this." And he said he wanted the U.S. representative to the UN to vote to support the Kyrgyz proposal to designate a specific year as the year of the mountain. Unfortunately though the interpreter, whom I have known for many, many years and who was absolutely wonderful, must have been very tired. He was translating simultaneously, meaning that he was saying in English what President Akayev had just said in Russian and at the same time listening while President Akayev spoke his next sentence in Russian. The interpreter informed Vice President Gore that President Akayev would like to U.S. delegation to the UN to support the Kyrgyz proposal that the UN designate year such and such as the Year of Gore, Vice President Gore. As soon as this was out of the interpreter's mouth a look of horror came over President Akayev's face and a look of

horror came over my face because in Russian, the word for mountain is pronounced "gore."

Q: Gore, yes.

MALLOY: And we both started sputtering at the same time but the interpreter immediately recognized the error that he has made and said "I am so sorry, it should have been the year of the mountain. Vice President Gore just leaned back and said "you know, I liked the first translation option even better." It broke the whole place up and broke that tension over whether President Clinton was going to walk in the door.

Q: Well during this trip were you- you all working, getting him to sort of move back towards a more democratic stance?

MALLOY: Absolutely. He would have a list of people that he would want to see, which were primarily in the business community. We would suggest other meetings or ask him to see people, such as NDI (National Democratic Institute) wanted to talk to him or the Undersecretary for Global Affairs who wanted to jawbone with him. We would be working our agenda and he and his people would be working their agenda. We got him up on the Hill and Hill leaders feel very comfortable in offering criticism on certain things so there were many ways to influence him. This was a private visit; in other words he was not invited by the White House to come, he was coming on his own and that was the difficulty. Any one day in Washington you have at least one or two heads of government or heads of state in town on private business. If the U.S. president saw them all he would never get anything done. So a tough blow but that was the way it was.

He flew back to Bishkek and I at that point stopped being in charge. The DCM was acted as chargé until the new ambassador got out there, I think some time in the fall Anne Sigmund got out there. I went on a very brief home leave to try and reconnect with family and friends. And then shortly thereafter started my new job as Marc Grossman's deputy assistant secretary in the European bureau where my responsibility was the East Central European countries, the former Yugoslavia. I was also responsible for something called SECI, which was being run by Dick Shifter at that time.

Q: Alright. Well let's talk about Central- was it Central Europe or-?

MALLOY: Yes. Actually the transition might be worth talking a little bit about.

Q: Sure.

MALLOY: I am much more comfortable in the field; I am an implementer. The Foreign Service is divided between people; I am generalizing here, but divided between people who are very comfortable in big, hypothetical policy and then people who are adept at taking a policy and operationalizing it, which is what I am, the nuts and bolts person. You tell me where you want to end up and I will tell you how to pull levers and influence to get there. So coming out of the field, I had just spent three years intensively

implementing, both implementing policy desires of Washington and also building an entire infrastructure for a mission, taking care of my people; soup to nuts. I came back to a job in Washington that was almost exclusively policy. You think, you meet, you consult, you jawbone on the Hill, in community groups but you actually do not do specific implementation yourself. So for me that was a tough transition.

The other tough part was I had been asked by two different bureaus to come back and work with them; one was the S/NIS. This is the group responsible for the former Soviet Union and they had made some early outreach to me but then the head of that, it was not formally a bureau so this man was not formally an assistant secretary, had changed and Steve Sestanovich was taking over. I had heard nothing from Steve about my joining S/NIS. Marc Grossman had asked me to be a DAS in the EUR bureau. I explained to Marc that my field experience was really in the former Soviet Union, that I had never served in East or Central Europe but I had worked those issues when I was on P Staff, Bosnia, primarily, but that I did not purport to be an expert on those countries. He said "no problem. We've got plenty of experts down on the desks; what I want you to do is run the ship, make it happen, point it in the right direction, make sure it gets done and done well." That was no problem for me; that was what I do. He offered me a job, I was paneled in the job but at the very last minute it turned out that S/NIS actually had been counting on me to come and take a DAS position over there and they were disgruntled. And so my whole- all the people that I had worked for my whole career so far, there was a little bit of unhappiness that I was not coming to take that position. But once I make a commitment I stick with it and I had made a commitment to Marc so I went ahead and took it. In hindsight I probably should have gone to S/NIS because what we did not anticipate was that Kosovo would blow up. When that happened what the 7th floor wanted in my job was somebody who lived and breathed regional expertise on that issue and that was not what I could offer them. Whereas if it had been in one of the countries that I knew, in the language I spoke and the people I had spent 20 years working with that would have been a different story. So anyway, that transition was difficult.

The other aspect of the transition was Washington jobs are all concerned with the interagency, the Hill and media and constituency groups in Washington at the DAS level, so it was the first time I was interacting constantly with all those players. When you are in the field you are concerned more with keeping Washington and your host government apprised so it is a very different dynamic. I spent my whole day in meetings. I would get to work well before 7:00 in the morning and, during the height of the Kosovo crisis we were having 6:30 p.m. meetings and I would be there until 8:00, 9:00, 10:00 p.m. And then as soon as I got home the Op Center would be on the phone three or four times so it was an intensity that was disturbing to my family, because they had hoped that after the three years in Kyrgyzstan that we would have some family time and that we could get together. Now, after three years of being out of the country I was unavailable to my family all over again so that created some tension. So it was a difficult transition.

Q: Okay. Well, could you explain, please people are going to be reading this and coming- not as- could you explain what the Kosovo- what were the roots of the Kosovo problem? And just go back to, what is it, 1389 and-

MALLOY: Briefly, yes.

Q: Well yes. You know, I spent five years in Belgrade but anyway, we'll start at 1389 and bring us up gradually to when you arrived.

MALLOY: Okay. Well 1380, the Battle of Kosovo Fields or that was when the Serbs lost a pivotal battle to the invading Turkish forces and it was the high tide point of Turkish occupation of the Balkans. The Serbs regard Kosovo as sacred land. They celebrate this loss and I mean, it is just incredibly important to their national image. Kosovo also is home to a number of iconic monasteries that are extremely important in the Serb Orthodox Church and indeed some of them, I believe, have been designated as historically protected by UNESCO.

Q: Oh yes, they're beautiful.

MALLOY: And there was concern that the predominantly Muslim population would destroy these monuments.

Anyway, when Tito ran Yugoslavia Kosovo did not have the same status as Croatia and Bosnia-Herzegovina; it was, I do not know the terminology but-

Q: _____ autonomous-

MALLOY: Autonomous, yes, like Sanjak, which is another part of Serbia with a lot of Muslims but also with a lot of ethnic Hungarians up towards the north. So when the former Yugoslavia broke up and those entities that had been formally designated as separate states had a fairly good claim to independence, for example, Slovenia, Croatia. Kosovo was part of Serbia and the Serbs were not going to let it go. However, the predominantly Muslim population felt, and indeed it was fairly well documented that they were, increasingly poorly treated under Serb rule. They were essentially shut out of education systems, they were not reflected in the police force; you ended up with a whole underground government taking care of the Muslim population. There had always been tension between the Serb government and this unofficial Muslim governing body and that frequently broke out in violence. However, during the time period I was in EUR as DAS it all came to a head in a massive way.

The Serbs were overreacting to provocations; there were indeed killings, a massive refugee flow started. It was very, very difficult to get good data on how many people were involved because the Serbs were restricting any kind of observers from the international community. Things got so bad that the pressure on the U.S. Government to do something was almost unbearable. When I took the job there was a special envoy for Bosnia implementation, Bob Gelbard, and his responsibilities included Kosovo as part of the whole Dayton Accords. He was quite active but he had so much going on in Bosnia that there was concern on the part of the desk, the South Central Europe office of EUR, that Kosovo was not getting the attention it needed, that it was reaching a boiling point,

and that the United States had to do something and get more involved. So there was a bit of a debate between Bob Gelbard, who saw this as his responsibility but did not have the resources to do all this, and the front office of EUR who felt that he needed to do more. The upshot of this was the Secretary of State told Marc Grossman that he, EUR front office, should take responsibility for Kosovo, remove it from Bob Gelbard's responsibility.

Earlier in the spring of '98 Marc Grossman and his DASes, including me, went on a one day off-site to talk through how we would manage a crisis. Marc was a big believer in being prepared in advance and Kosovo, of course, was the crisis we saw coming down the pike. And while we had a good discussion it ended up on a bit of a sour note because we realized that if this happened it was just going to wipe us out. There was no way that it would not eat the heart out of all our other work because it would just take over, and indeed, that was what happened when it blew up a few months later.

I was on vacation the summer of '98. I had gone off to Nova Scotia with my family and my husband had made all the reservations in his name, which is different from mine. I did not have a cell phone with me; there was no way anybody could find me, or so I thought. At some little hotel up in Nova Scotia I was given a phone message to call my office. They had tracked me down; to this day I do not know how they found me. I called the Department and was put on a conference call with Marc Grossman and the other DASes. He announced that we had the responsibility for Kosovo and asked what I proposed should be done? I outlined what we were already doing and things that we had had on the table for action that we needed to revisit. Then I said that I would be home in about a week and I would happily pick it up then. And from that moment forward to the rest of-the day I left EUR - my world was nothing but Kosovo. We created a parallel structure that morphed from myself and one assistant, Jeff Dafler, to about 15 or 20 people constantly turning out press guidance notices and briefings for posts, preparing for deputies' committee meetings, principal's meetings, and attending all the interagency working groups. It was just an enormous undertaking.

Q: Well when in sort of the continuum, when did the Serbs create this tremendous exodus from Kosovo? Was that- how stood it with you?

MALLOY: It was definitely out there as a big issue from the day I started in '97. By the winter of '97 into '98 you started having refugee flows and we would send up information, memorandums to the Secretary's office, alerting her to this. Just to give you an idea of the technology we had at our disposal at that time, I received a note back from Beth Jones, who was then the senior advisor to the Secretary, the last point before all paper goes through to the Secretary, complimenting us on our memos because we were the first to insert maps digitally right into the memo rather than on attached page. This was a big step forward in technology in those days. Of course now it is nothing; every school child could do it. But then it was a big deal.

So that went on all through the winter. I do not remember the exact month but there was one large outflow of displaced persons and I talked about this to Marc Grossman during

the work day. He suggested that I get in touch with some of the major NGOs involved in refugee support to see if they had any way of verifying the numbers. We were getting information from the Albanian American community and they were getting it second and third hand and knowing what was really going on was dicey. So I dutifully called around to a couple of the major NGOs and explained what we knew and asked them what they knew, had a little talk. At 3:00 a.m. the following morning the phone rang, it was the Ops Center putting through a call from Marc Grossman who said that he had just gotten a phone call from a person at a well known NGO, one of the ones I had talked to that afternoon, informing him that there had been a massive flow of displaced persons in Kosovo and the State Department needed to do something. Marc wanted me to tell him what the Kosovo group planned to do. So I explained to Marc, that this was the same report I had discussed with him earlier that day. It had just gone round robin telephone. I called them, I told them, they were now calling him. This is not new news and it was 3:00 in the morning and there wasn't anything I can do but I would be in the office in three hours and we would keep working on this thing.

I ended up being the Department's liaison with the Albanian American community which is predominantly based up in New York City. I also was liaison with the Friends of Albania group on the Hill, then chaired by Congressman Eliot Engel from New York. So my life outside of working hours then became involved in meetings with these groups.

Q: Well you mentioned Albanian groups but the Albanians and Kosovars really are two different political cats, aren't they?

MALLOY: They are two different political groups but ethnically they are Albanians. And there were many, many- Kosovo was an extremely complex problem because relations between these ethnic groups could have a huge impact on how the former Yugoslavia played out. For instance, there was an ethnic Albanian minority in Macedonia, the former Yugoslav Republic of Macedonia, as the Greeks insist we call it, and they felt they were not being treated right by the Macedonians. The Macedonians felt that the ethnic Albanians were trying to break Macedonia apart and create a Greater Albania, which would include parts of Macedonia, Kosovo and Albania. The Albanians in the country of Albania really did not want these Kosovars attached to their country. The Kosovars tended to think of themselves as the elite, the more educated, erudite Albanians. They tended to look down on the Albanians in the south – those who lived in the country of Albania.

We were aware that the unintended consequences of U.S. government actions in this region could be really severe. So at that point in time the U.S. Government did not have a policy on the future status of Kosovo. Our concern was to keep this conflict from destroying the peaceful evolution going on around it. The Kosovar Americans had very clear goals. They wanted Kosovo to be independent. I became involved in a political exercise to keep all these elements in synch, where they could be in synch, and be transparent about what our goals were. It was complex.

I got along fine with the Kosovar- with the Albanian Americans. Where it started to unravel was the fact that my expertise was in the former Soviet Union, not on the ground in Central Europe. I had never been in Yugoslavia before I took the job as DAS, did not speak any of the languages used in that region, did not have personal relationships with the individual players. While I was supporting the Undersecretary for Political Affairs through the Bosnia conflict I was not involved personally in the Dayton talks. That was all Richard Holbrooke. Richard Holbrooke's assistant in Dayton talks was Chris Hill. At this point Chris Hill was the Ambassador of the United States to Macedonia. So the Secretary appointed Chris Hill as the policy point person on all negotiations on Kosovo, which was a very good move. He spoke the language, knew the people, had been through the Dayton process, had good ties to Holbrooke to who he could turn for advice, knew Bob Gelbard, had met with Milosevic on many occasions; knew all the players. The difficulty was, though, that Chris Hill would only report directly by telephone to the Secretary; he would not talk to the European bureau, would not talk to me, would not talk to Marc Grossman.

Q: Was this- What was behind this thinking?

MALLOY: His appointment or-?

Q: No, I mean his unwillingness to-

MALLOY: I can not say because I do not know. I was told he did not have time. From time to time he would allow me to talk to Tina Kaidanow, who subsequently became our first ambassador in Pristina, Kosovo. She was his assistant in this process and she was very, very good but the difficulty was that I was running the machine that was supposed to be churning out talking points for every briefing memo prepared by every desk officer in the State Department on Kosovo and press guidance. The material was supposed to be right on the edge of the moment, and it would go up to the Secretary who would then say that it was off-base. EUR appeared to be out of the loop; we did not know the current state of the conflict or the negotiations. Well we were out of the loop because she knew more than we did and the information was not coming down from her office and it was not coming to us from Chris Hill. So we had a growing gap, knowledge gap. The pace at which we were moving was incredible. You had to sit through all the deputy committees meetings and the interagency working group committees because they would talk in a continuous dialog; if you missed a meeting you were left behind and did not really know, for example, that a principal had made a decision or decided on a different nuance or whatever. So after a certain number of months only Chris Hill knew everything and he became indispensable. When anybody needed anything they would call Chris Hill directly instead of calling the Bureau of European Affairs. All of these direct inquiries to Chris Hill then further impeded his work as it ate up his valuable time. So the difficulty was this communication process. We had created the machine in EUR but without the ability to talk to the lead negotiator, Chris Hill, and to get a daily debrief or even a weekly debrief it was not going to work.

Q: He didn't have- You mentioned his deputy was who?

MALLOY: Tina Kaidanow was his assistant. But she would not necessarily- she would not be in the meetings with Milosevic, necessarily. And she was not authorized to share everything with us either. This was a real eye opener for me.

We also had some issues with the NSC (National Security Council) which at one point decided- as the Kosovo conflict got worse it took up more and more time in the daily Bosnia secure video teleconference where we would get together with all the players in Washington. And so NSC agreed to split the two issues into separate video teleconferences; there would be one for all the people working on Bosnia issues, and one for those working on Kosovo issues. This had to be done because we actually could not fit the combined groups into the room where the teleconference would take place. We had military experts, lawyers working on the documentation we were assembling for eventually putting in front of the international court to try people like Milosevic for genocide, refugee officers, etc. So we split the meetings apart into two casts of characters. I remember being in a Kosovo meeting and the then NSC director, who was the chair, suddenly said "oh, I have a Bosnia question" and he asked a technical question about Bosnia. I said, " I'm sorry but my Bosnia cohort is not in this meeting; I'd be happy to take the question and get back to you." His response was very snide, snippy, unhappy that we did not also have all the Bosnia folks at the Kosovo meeting, saying "well, isn't Bosnia still important to us?" Which frustrated me no end but they had trouble from-

Q: Well, I mean, looking at it from now, you're obviously away from this, was this sort of just a bureaucratic development or were there sort of egos and who's got the knowledge and power and all; was this much of a factor?

MALLOY: Very much of a factor.

Q: What?

MALLOY: Very much of a factor.

Q: I'm getting this smile from you. I mean, obviously this sort of thing does happen, of-

MALLOY: But it's short-sighted.

Q: Of course it is.

MALLOY: And it was also very much a Holbrooke- Dick Holbrooke understands that knowledge is power and anybody who studied under Dick Holbrooke will also understand knowledge is power. I come at it from a different perspective. If I do not share information with the people who need that information in order to make something happen then I am hurting the process. And so since I am more of an implementer, to me that process is important.

Also Chris Hill, by virtue of the fact that he was in a tiny embassy in Macedonia thousands of miles from Washington, with all the intellectual brain power one could possibly want, there was no shortage there, but he did not have the support structure that could actually run this information flow even if he had wanted it. I had created a support structure. And this was where Marc Grossman was wonderful because in our off site one of the things we had talked about was how we could avoid having a regional crisis embroil the entire the European bureau, as Bosnia had, and how the assistant secretary and the DASes could avoid being totally wrapped around the axle by this one crisis with no resources were left to run all the other very important issues. We wanted to avoid that. So when Kosovo started to heat up and I needed to set up this structure, Marc was really, really very good in saying "Okay, all these other desks that weren't on the front line have to give up a functioning body to this pool." So, for example, one person from the UK desk and one person from the German desk would be detailed to help us on Kosovo. Marc had no trouble pulling those resources for us. He had no trouble whatsoever reaching out to the USIA folks who had not been fully embedded yet in the State Department, and offered ourselves up as the prototype or model bureau for assimilation of USIA public diplomacy officers. We took those people in and got them involved in the press guidance for Kosovo. We also creatively went after presidential interns and put them to work.

We were very innovative in how we set up this machine and also how we kept the daily tasking list. The irony was that the tasking list, it was actually run by a Jeff Dafler, a mid-grade officer detailed to the Kosovo group from a desk in EUR, who would get a dump from every single meeting, what was required, who was doing it, and would use that info to update a list tracking every single Kosovo-related action tasked to a Department entity. State officers all over the world, not just in Washington but at our embassies wanted copies of the tasking list because it was the only way they could tell how issues were evolving. It was a cheat sheet that became very useful, not just for getting the actions done but for following the issues themselves.

Q: Well when in this- as this crisis developed, when did the war option surface?

MALLOY: My first interaction with the Friends of Albania group on the Hill was when I was summoned to come up and testify before the Friends of Albania. Specifically what they wanted me to do was to reiterate what was called the Christmas warning. That was, at one point, well before this time, when it appeared that the Serbs were going to take violent action in Kosovo the White House, I believe the National Security Advisor but I'm not sure exactly at this moment in time, transmitted a warning to Milosevic saying if you take military action in Kosovo we will be forced to intervene, defend them, whatever it was; the implication was military action. This warning had not been made public but the Friends of Albania knew of it and wanted me to reiterate it publicly, which of course I could not do but I still had to go up and appear in front of the Congressmen. I took their questions and I listened to their requests but I stopped just short of reiterating the Christmas warning. The idea of military intervention actually had been on the table for quite awhile but it was not perceived as being in the interest of the U.S. Government. It was not perceived as something that would really accomplish the goals that we had,

which was, as I said, keeping the Kosovo crisis from tearing down all the positive things that we were working to achieve in stabilizing Albania, in getting Bosnia-Herzegovina to come along the road on Dayton implementation, and stabilizing the borders of Macedonia. Military action in Kosovo would actually have made things worse. Also, there was great disagreement internally in the U.S. Government on the use of force for an internal issue. In other words Kosovo was regarded by the international community as a constituent component of Serbia. So it was not Serbs operating across the border in Bosnia; it was Serbs operating in Serbia. And so there were many, many months of discussions on the legal basis for intervention. It was actually fascinating because the UN had still not come to grips with this. Look at Darfur. What is the obligation, the responsibility of the international community when there is a genocidal tragedy taking place within the constituent borders of a country? This discussion at the UN was complicated by the Russian and Chinese governments, of course, who have many similar issues of their own and would not want the UN to authorize action that could subsequently be used against them.

So at some point in this process we realized we needed to have a heart to heart with the Russians. And Sandy Vershbow, who would later become our ambassador in Moscow, and I were sent to Moscow to talk to the Russian ministry of foreign affairs and to make clear that U.S. patience was at an end. Sandy Vershbow at that point was our ambassador to NATO so he was speaking for the NATO community and I was speaking for Washington. Our job was to tell them that there was a very real possibility of military action if they could not work with the Serbs to find a solution, not a solution to the status of Kosovo but the violence and the displaced ethnic Albanian Kosovars and the police actions. It was an interesting trip. I do not know that they actually believed that we would take military action.

Q: Well you must have- I'm not sure where you were doing what but the pressure must have been tremendous on you all when these pictures came out of the Kosovars fleeing into Macedonia, into Albania, into Montenegro.

MALLOY: Freezing in the mountains.

Q: You know, I mean, this is, I mean, it happened rather suddenly but there were thousands of people involved in this. And like so many things, say with the Kurds, going up into the mountains, policy can be one thing but public opinion can be quite a different matter. I mean, you must have watched the public opinion needle swinging over to for God's sakes do something.

MALLOY: Absolutely. Absolutely. And you actually had American citizens, ethnic Albanians from New York City, traveling to Kosovo to fight and dying there. And my Albanian American contacts would call me and say, "Today I went to another funeral in New York of a young boy." The pressure from the ethnic constituency in the New York area was intense. And then we also had pressure from all the different groups concerned with refugees. But there was also countervailing pressures. First of all, as I experienced while working on Bosnia, the Department of Defense was not happy that the solution

proposed to every regional crisis was to send in the military to solve everything. At this point they had troops on the ground in Bosnia. They, when I started this job, also had troops in Macedonia, in a UN preventive defense force. They had troops on the ground in the Prevlaka Peninsula down in Croatia. They made the point that they had troops in every UN preventative peacekeeping exercise that had been started going all the way back to Cyprus and these peacekeeping obligations never ended. In this DOD was quite right. They saw themselves being stretched further and further and they wanted us to describe an end game. When we would say we see a scope for military involvement, they would say, "Fine, you describe how it will end and what the conditions are that would allow us to leave." Well we could not do that. So there would be endless circular discussions, not that they did not want to play a role, they just wanted their role clarified and they wanted it to be doable. And also, as in Bosnia, they said if you want us to go in and do it we want, and this was the Powell Principle, we want to go in there with overwhelming force and make sure that we are well equipped, that we have- and the numbers they would ask for were just astronomical and it would blow it out of the water. There were a couple points where the Administration came close to authorizing military action but at the last minute just stepped back and it did not happen.

At one point in this intense period I got word that the Secretary had decided that- this is Secretary Albright- had decided that she wanted Chris Hill to come back from Macedonia and come into the EUR front office to take charge of all of the Kosovo action, which was my job. So I thought that would be fair. That would give him the supporting structure to implement the negotiations and it would be much cleaner in many ways. I went about finding myself another job, found another job, which we can talk about later, and then went to Marc Grossman to discuss timing for my move. I told him I could leave next week or I could leave in three weeks; did it make any difference to him? That was when we had exhausted all diplomatic possibilities and the U.S. government had decided that they would have to use military force. Marc said, "Quite frankly, the military is going to take over next week, our role is going to be diminished greatly and so it's really up to you." So I stayed one more week, went on to my new job and I think I was there one week before we started bombing Serbia. I felt confident that I was not leaving them in the lurch and that it was a perfect time for a transition. Unfortunately, Chris Hill did not want to come back to Washington and take that job so he turned it down. And so EUR ended up bringing in a key player, the office director, Jim Swigert came up as acting DAS and eventually took over the position. He was brilliant. He knew the issues, knew the language, knew the people, did a very good job and I went off and did something else.

Q: Well were you at all privy to what the original military plan would be? I mean, it's the idea of overwhelming force but it ended up by being a bombing campaign focused on Serbian cities, on the facilities, unlike anything else but was that in the cards at the time?

MALLOY: I did not get into the military planning. What we talked about was what would influence Milosevic. Milosevic was really adept at flying under the radar. We would set triggers, for example, if he does X we are going to have to ratchet up sanctions. He always, always managed to do X minus one percent. He was really, really sharp at that. He did not believe, even when we sent emissaries to tell him there was going to be

military action, he did not do what he needed to do to avoid it. He did not believe it. And I found out years later, through a Serb diplomat who had been in Belgrade at the time this was all playing out, that part of the reason he did not believe this was that his chargé in Washington - part of our jawboning them was not to allow them to have an ambassador so this man was a chargé - was sending messages to Milosevic saying what Milosevic wanted to hear and not what we were saying. In other words this diplomat was reading the traffic from the chargé in Washington and it was not consistent with our discussions. The charge was a very nice man, we got a long very well, did not have any problems, so I was really disappointed that he was not conveying what he was being told point blank in Washington. But even when we sent emissaries to talk directly to Milosevic he still did not believe them.

Q: I understand too that they- he and maybe some of his key people were holding up the Somali example, that once we took, you know, some of 18 special forces were killed in Somalia and we pulled out, that we weren't up to accepting casualties.

MALLOY: Well that was part of it, I am sure, but he also was hearing, because of course in America we are open, we have free media, free press, freedom of speech, he was hearing of all these different elements of American society and different elements of the American Government who were opposed to military action. He firmly believed that one of those players would step in and prevent military action from happening. Remember, the United States has always had this special relationship with Yugoslavia; we have been friends. He could not believe that we would actually attack them, just could not internally believe that. And so his calculus was off. I think he was really caught short when we did use military action. But the perception was there was no way we could invade; that just would not happen. Our military action was just targeting economic and military assets, took out some of the bridges on the Danube and the ministry of defense, very closely targeted. Unfortunately, using wrong data in one case, they bombed what turned out to be the Chinese embassy. I do not believe the Chinese have ever accepted that that was a mistake. That was a tragedy.

I left with mixed feelings. You know, it was the right moment to move on if I was not going to stay there but I still felt very much- You can not work at such a pace for so long on one issue like that and not- and easily detach yourself.

Q: Yes. I've interviewed Bill Walther who is our observer in- there at the time when he had a certain point, felt there was no other recourse but to bomb.

MALLOY: Yes. And this was a very tough decision for the White House to make. It was not one taken-

Q: Particularly the Clinton Administration, was just-

MALLOY: Yes.

Q: I think it was called the KLA, wasn't it, the Korean- I mean the-

MALLOY: Kosovo Liberation Army.

Q: Did they play much of a role in their calculations?

MALLOY: Sure. Well, you have to separate, just like in Northern Ireland, you have the IRA (Irish Republican Army) and the PIRA (Provisional Irish Republican Army); there were many different elements, some groups working for independence and some that were bordering on terrorist operations. There was one group, called the UCK, that seemed to be really bad news but we had to work with the KLA, we had to talk with them. They were the group who were fighting back and trying to protect the people.

At this time the acknowledged head of Kosovo, a gentleman who has since passed away, Ibrahim Rugova, represented a political movement that advocated peaceful, non-violent resistance by the Kosovars. Rugova always wore a silk ascot so we used to call him the "scarfed one."

Q: Oh yes, yes, yes, yes. He was sort of a little bit-

MALLOY: Like a university professor.

Q: Professor, yes, yes.

MALLOY: He was the person that everyone would seek out for political discussions but as the conflict intensified the young men fighting military action developed as a counterpoint. They all felt that Rugova had been a patsy of Belgrade all these years and had been ineffective in achieving change. Thaci and his group - the Kosovo Liberation Army- became much more of an important element as the crisis intensified.

Other players would be, as I mentioned, the Albanian government, the Macedonian government, and the Bulgarian government. All of them would be in consultations with us, both in their capitals and ours. We were trying to get them to play a role in influencing either the Albanians to work with us rather than against us or the Serbs. Wherever we perceived that they had influence we would use all of them. So it was really a regional effort but also NATO was involved, our mission to the UN was deeply involved. There were many, many different groups.

Q: Well, were the Greeks basically a burr under our saddle or a pain in the ass?

MALLOY: No, I would not say that. The Greeks are a member of NATO. They are long term allies of the United States. But they pushed the whole issue of Macedonia to an extreme and they actually endangered the integrity of Macedonia and its borders. Because the Greeks felt free to pick at them, then others did as well. That was why UNPREDEP was there, this UN Preventive Deployment.

One of the toughest interagency battles for me, and one that I feel we lost, was UNPREDEP renewal at the UN. W had some heavy lifting to do to convince the Russians to either vote for the extension or to abstain. They were not enthused about this. Again, as I mentioned, the Russians do not like to support any measures at the UN that could be used against them in the future. We felt very strongly that the preventive deployment needed to remain and that removing it would just open the door to all sorts of mischief on the part of other nations, Greeks, of course, but not just the Greeks.

I attended a deputies' meeting over at the White House War Room, you know the big classified conference room. Strobe Talbott was going to push for our position. On the ride over to the White House we reviewed it, and he agreed he was going to urge Jim Steinberg to authorize an all out push at the UN and in Moscow to get this done. When we arrived at the White House Jim Steinberg came out and took Strobe Talbott off into a side room while the rest of us went into the War Room and waited. They came out and started discussing this renewal and Steinberg said he did not think we should be taking this position. Strobe agreed with him. On the drive over Strobe had told me that I should feel free, even though I was sitting on the sidelines, to speak out. So I said, "we see real importance in keeping this, in keeping the stability of the borders of Macedonia and this was really crucial." Strobe basically said we would talk about it later. And it was clear whatever had transpired in that little room, the decision on renewal of this mandate had been taken off the table. And so the UN mandate for UNPREDEP expired and Macedonia went into a very difficult period. We all very much regretted the fact that UN force was not there on the ground when Kosovo blew up. It would have been right there over the border, it would have been extremely useful but that was the way it was.

Q: Well, I mean, before you left, just before you left, the real exodus went, wasn't it? This was- I mean, did- I mean, was this, as so often happens, you can have all sorts of policy but your policy has been dictated onto the TV cameras that are- the pictures that are playing on the screen in the United States, around the world, I mean there's nothing more appealing than refugees going out, particularly these refugees and it looked kind of like us, lots of blonde and blue eyed and they were driving out with a- It wasn't the Darfur Sudanese type refugees.

MALLOY: I do not know that the bombing in Macedonia in the market played that kind of stimulating role as had happened with the U.S. military response in Bosnia. The refugee outflow was a steady drumbeat that could not be ignored but it was not the same as in Bosnia, it was not the trigger. There were months and months of work by the International Contact Group - which included all the key countries and NATO and the UN - and there was recognition that what was going on in Kosovo was destabilizing, not just for Kosovo but for the whole region. There was recognition that if it continued to fester and indeed got worse, that it would suck in and destabilize Albania, Macedonia, the process in Bosnia-Herzegovina; everything.

Q: And in Montenegro.

MALLOY: Well, Montenegro at this point had only the vaguest aspirations because, of course, Montenegro was in the same position that Kosovo was. It was not an independent state. So the question was whether the West wanted to intervene militarily or not? Not to do so was going to get them involved in an even bigger crisis down the road, and there was always the specter of Russia and what would Russia do, and whether action in Serbia would eventually put us in conflict with Russia?

Q: Well let's, before we finish up this segment, what about France, Britain, Italy?

MALLOY: They were in the Contact Group but as it played out in Bosnia, each individual country they had their own agenda. The Italians, of course, were very supportive of Milosevic, could see no reason for applying sanctions, were very, very closely tied. However, they were real tired of all the Albanians washing up on their shores so they would send mixed messages to Serbia. But in terms of using military might or NATO force, the Italians were not enthused. But if you wanted to get a message to Milosevic the Italians provided a good conduit. Indeed I went to a ministerial meeting on Albania in Rome with Congressman Eliot Engels and I made the U.S. presentation there with him. The Italians were very helpful in facilitating all of these diplomatic activities but you could not get them to support hard sanctions or to shut off trade with Serbia.

We tried very hard to pressure Belgrade by shutting down commercial flights, for instance. Milosevic was deriving hard currency every time a plane landed or his airline landed in Europe. But we could not get the EU countries to shut down the flights. It was tough.

The Brits worked very closely with us. As in many things, they aligned themselves more closely with our interests. They understood the geopolitical implications of what was going on. They have their own history in Yugoslavia.

The French wanted to be players, participated in the Contact Group but were probably closer to the Russian point of view that it was very, very dangerous, this unplowed ground of the international community intervening in an internal affair of a member state.

Q: When you left the job, did you feel that the military was probably the only way to go?

MALLOY: Yes. Sadly yes, I did.

Q: Well then, what did you do- I mean, I think this is probably a good place to stop.

MALLOY: Well, I think what we should do next is go back and talk about all the other things beyond Kosovo.

Q: Alright.

MALLOY: Because there was a lot of work on Albania, Bulgaria, Romania, Slovakia that we could talk about next time.

Q: Okay, great. We'll do that then.

Today is the 10th of July, 2009, with Eileen Malloy. And Eileen, before we leave Kosovo you want to- if there's anything else you'd like to add and then we'll move to other areas.

MALLOY: Well, in going through my notes to prepare for this session I noticed very frequent references to Julia Taft and all the work that she did during the Kosovo crisis as liaison with the NGOs that assisted with the refugee flow.

Q: She was- recently died but she was the- and we've done a- I did a short interview with her, should have been longer- but-

MALLOY: She was Assistant Secretary for PRM (Population and Refugees) at State during this time period.

Q: Yes.

MALLOY: And I had worked with her previously when she headed the part of USAID that responds to natural catastrophes, OFDA, Office of Foreign Disaster Assistance. She came out to Yerevan and Moscow in 1988 during the huge earthquake in Armenia to lead the OFDA team there. I wanted to just make note that the refugee issue was extremely important to pushing the U.S. government into taking action. In addition to the work done on refugees or displaced persons as a political issue there was an entire bureau at the State Department very heavily engaged in getting contractors and NGOs such as Mercy Corps and the International Red Cross, into Kosovo. We, the U.S. Government, were both putting money into international organizations so that they could take action and also through AID hiring U.S. contracted entities. Politically, we in Washington were fighting to get these groups access to the refugee- or, I should not say "refugees"; these were internally displaced people, IDPs.

Q: In a way they were; they're going into Macedonia and Albania and all.

MALLOY: They were. And actually huge numbers of them ended up in Switzerland, which was one of the reasons I spent so much time talking to Swiss diplomats and keeping them well briefed.

Q: How did they get to Switzerland?

MALLOY: Well, by commercial airline connections. Swiss Air flew into Belgrade and so people traveled from Kosovo to Belgrade and got on planes and got out, those who could afford it. Indeed, I just visited Switzerland a few months ago, earlier this year in 2009, and the Swiss government had just welcomed the opening of the first Kosovar Embassy in Switzerland. The U.S. chargé hosted a lunch for the newly appointed Kosovar

ambassador and his deputy and they invited me to join them. The Swiss officials and I and the Kosovars had a great time talking about everything that went on during this time period. The Swiss actually played a key role in a number of ways.

First of all, many of the international organizations are based in Geneva, such as the International Red Cross. But also the Swiss government, because they were hosting so many Bosnian and Kosovar refugees, had a huge stake in seeing this crisis resolved so these people could go home. The reality is that they have never gone home. They are still there, which is why the Kosovar embassy was opening up three or four consulates in Switzerland. They want to register these people and document them, because up to now their choice had been to travel on a refugee document issued by a UN agency or a Serbian passport, which most of them do not want to use. It was interesting to me, all these years later, to see how that played out.

But I wanted to mention the huge role that Julia Taft and the PRM bureau played in working with us. As I discuss all these other countries there was virtually no way to separate the issue of Kosovo from our bilateral relations because everything involved it. But what I want to mention is what we were doing with these other countries, what our strategy was. So I should start by talking about what Marc Grossman started calling the "trifecta." Essentially when I started in EUR in ’97 we were looking ahead to three major summits; one was the NATO summit, one was the OSCE (Organization for Security and Cooperation in Europe) summit and the other was the U.S.- EU summit. The European bureau wanted to make sure that the U.S. Government’s participation in these three summits was both productive substantively and well coordinated, so that it was all moving in the same direction. That was the framework in which Marc Grossman viewed his first few years as Assistant Secretary for European affairs. NATO expansion, of course, the first wave of invitees had already been invited. We were now looking at the run up to the second wave. The countries that I was responsible for were aspirants for the second wave; Romania, that desperately had its heart set on an invitation to join NATO, was deeply disappointed when it did not make the second wave. Bulgaria, which at the time seemed a real long shot but in reality moved faster and further ahead than Romania in the next few years. Slovenia, Slovakia, both well placed to move ahead. So in terms of Romania, before I came on board a decision was made to launch what was called a strategic partnership with Romania. This was not a consolation prize for not making NATO in that second round but rather it was an attempt to set up a framework that would help them move to where they needed to be to get into NATO. We also needed Romania to be an anchor in the Balkans. We were simultaneously coming out with a Southeast Europe initiative that was designed to get the Western Europeans to regard that whole area of the Balkans and Southeast Europe as worthy of their efforts. Everybody was pretty exhausted by Bosnia at this point and you found a lot of the Europeans falling back into old conflicts; Turkey and Greece over Cyprus for example. We felt we had to be proactive and one of the things we set up was a "Friends of Romania" group, trying to line up Romania with certain countries that would partner with it, both in terms of improving its military but also in other areas.

Q: Could you at this point describe what Romania- describe Romania at this particular junction that you're dealing- What sort of a country government was it?

MALLOY: It was a democratically elected government but it was a country with no rule of law, no transparency, and a horrifically poor economy. It was going through the transition from a directed, inefficient communist directed economy to an open market economy. So if you think of what Poland went through and the Czech Republic went through five to 10 years earlier this was what Romania and Bulgaria were now starting to go through. How do you privatize former State-owned industries, how do you reorganize agriculture to more modern practices, how do you distribute land ownership; all those things were going on, all at the same time. And at the same time the Romanians wanted to bring their military up to NATO standards and be invited to be a NATO member. To do that required money, that required getting their economy fixed. They also were aspirants for the European Union. They knew that process would take a much longer time but they gradually had to reorient all their legislation and social practices in order to qualify. So it was a nation going through this huge churn. When it started, though, the strategic partnership was out there. We have talked previously about people who start thinking from the top down and others who think from the bottom up and I am a bottom up. Well, the top down people created this strategic partnership with Romania and then gave it to us and said, "okay, make this happen." And there was no "there" there. There was some good thoughts on how it should play out but it was up to us to come up with a structure. So this was what we did. My approach to it was what I called "tough love."

The Romanians very much wanted to tell us what their problems were, hoped we would give them the money to fix them or the support or we would line up another country to fix their problems. What we said was, " no, no, no." What we asked them to do first was, to come up with an across the board listing in different baskets of what the problem areas were. That they were happy to do. And secondly we asked them to tell us what they were already investing in each of these problems and what other international donors were already giving them in those areas. Third step was we needed to identify the gaps and then we would see if the gaps were areas that we could work in. The Romanians did not like this approach at all because - first of all it was a huge amount of work on their part in coordination, something that they were not good. Also, and here I was using my Kyrgyzstan experience, I found that a lot of countries ask for the same thing from many different donors and you end up tripping over each other. I wanted to make this whole process work in a way that it was clear to them they had primary responsibility for all of these gaps and we would fit in where we saw that there was a convergence between our policy and their need.

So it was a difficult process, we had many different subgroups and it did not run the way the Romanians had initially hoped in the beginning but in the long run it did help them.

Q: Now, what role did, say, Poland play in this? Poland being sort of the model for how you go through this. I mean, were they, you know, a better source almost of advice than we were?

MALLOY: Oh yes, absolutely. And part of the Friends of Romania was to enlist other states that had gone further ahead through this transition process, such as Poland. Now, in the end Poland saw it as being in their interests to focus most of their efforts on Ukraine, and we can talk about that in a little bit. Each country was determining what was in their interest, and there is nothing wrong with that. So part of our work with Friends of Romania was to line up the right partners. The other DAS, Ron Asmus, who had all political military issues, would have handled the military reorganization of Romania's forces. But anyway, the work we did with Romania was very intensive for two reasons.

They are hugely important in the stability, in anchoring this whole region, for one thing, and also they had a very activist ambassador in Washington, Geoana, who eventually became foreign minister in Romania. And he was very effective at getting the attention of policy-makers in Washington. He kept in very close touch with Sasha Vondra, who was the Czech ambassador at this time period, and who subsequently went back and became foreign minister in the Czech Republic. Sasha Vondra was great and he mentored Ambassador Geoana and others. We saw a lot of lessons learned being passed in that way. But it took a huge amount of our time.

Romania, though, was very cooperative. For instance, they volunteered troops to serve in Iraq and other places. I mean, they would do whatever it took to line themselves up as good prospective partners for NATO.

Q: Was there a generational gap of the new kids coming up versus the apparatchiks of before? I mean, in understanding the problems and response. Did you see- Was this- Or was this sort of a Romanian overall problem of not quite getting into synch with the program?

MALLOY: Hard for me to say. I am not a Romanian expert. The Romanians are different. First of all, they are not Slavs. Romanian is a Romance language; they think of themselves as more akin to French than their neighbor Slavs. A major part of our work was to try and get each of these countries to recognize that they were indeed part of this region. They each seemed determined, whether it was the Slovenians or the Romanians to say, "Well I'm not really part of those scruffy people who are over there fighting all the time. I'm different." Our mantra was that they all had to work together to eliminate trade barriers and all these other issues that were keeping the region from thriving. None of them were going to prosper on their own. And so the Romanians, I know, were reluctantly accepting that they were viewed, at least by the United States, as part of this region.

Q: I've talked to people who've served and they have remarked that here Bulgaria and Romania are sharing quite a long border but there are hardly any crossing points and there's hardly anything going- I mean, up until, maybe- I don't know how it is today but there was no particular topic between the two.

MALLOY: Yes. Well first of all, they are separated by a range of large mountains. I know because the first time we went there we drove from the capital of Bulgaria, Sofia,

over those mountains to Bucharest. There are not a whole lot of people living there. It was pretty desolate. I think there was no natural commerce, and one of the things going at the State Department at this time that we mentioned before was SECI, the Southeast Europe Cooperative Initiative. One of its main goals was just exactly that - to create more opportunities for cross border trade. Why should somebody living close to that border rely on the far flung capital for supplies if they were available right over the border? Why not create a customs regime that encouraged cross border traffic? So we were trying to break down those barriers. But yes, I do not think that Romanians and Bulgarians naturally interacted. They viewed themselves as very, very different. So anyway, most of our time with Romania was spent trying to flesh out this strategic partnership, Friends of Romania, and where they fit into the Southeast Europe Initiative.

Bulgaria, the first time I went there was to attend a NATO defense ministerial with Marc Grossman. The Bulgarians were very, very determined to be considered serious aspirants for NATO. But the thinking at that time was that it was a much longer and harder fight for the Bulgarians than it would be for the Romanians. Over the course of the next two to five years it was surprising how quickly the Bulgarians actually managed to pull themselves together. I do not know if it was because they had more internal discipline or if they were left when the Warsaw Pact broke down with a better military structure. I do not know, but the reality was that they did surpass Romania in terms of adapting to the NATO structure. They, however, struggled with serious issues in terms of trade and commerce with the United States and the European Union. One issue was intellectual property rights. The Bulgarians had this huge counterfeiting operation, whether it was counterfeit music tapes, software products, etc. A lot of our efforts were to get them not only to pass legislation protecting intellectual property rights, IPR, but to come up with some mechanism to actually enforce it. I mean, a law on the books was meaningless unless the police were willing to go out and arrest people for manufacturing and selling all these fakes. The Bulgarians reluctantly went along with this but what they kept saying to us was that we were just shifting the problem and the minute they shut this all down in Bulgaria the counterfeiters were just going to move to another country. Indeed, that was what happened. They all moved to Moldova, where, because nobody was courting Moldova for the EU at that point, there was no carrot and stick. So the Bulgarians who were running these counterfeiting operations, just pushed the problem further to the east. But the Bulgarian Government did, over the course of a couple of years, eventually start to take effective action on trade issues.

The other issue we had in terms of Bulgaria, was the ethnic minorities in Bulgaria. There for many, many years had been a dispute over the Turkic minorities, who regarded themselves as Turks, as opposed to Bulgarians. The Bulgarians seemed to feel that they did not have a Turkic minority. Indeed, they viewed these people as Bulgarians. The U.S. Government was listing some of these groups as beleaguered minorities so we had many discussions about religious freedom, and indeed one of our ambassadors to Bulgaria actually got off to a really poor start by answering some media questions about whether or not there was a Turkish minority in Bulgaria before he even arrived to take up his job. He never got beyond the cold shoulder of the Bulgarian government after that. But on the whole the Bulgarians were very, very helpful in a number of ways. They played a role in

Kosovo because they shared a border with Macedonia and again another ethnic group in dispute were the ethnic Macedonians inside Bulgaria.

Q: Going back to my time in the '60s with Bulgaria, Greece and Yugoslavia, Macedonia, is there a Macedonia language, you know? The Bulgarians claim that- I call it a dialect but the- whatever it was that the people in that area spoke, it was Bulgarian pure and simple. How was that playing out? Had they-?

MALLOY: It was an issue. As a matter of fact I visited Bulgaria with Deputy Secretary Strobe Talbott and an interagency delegation. That was one of the topics that we discussed. And we were not too interested in the linguistic argument; our argument was that Macedonia needed to get resolution of its borders and one of the borders where there had not been clear delineation of exactly where the border lay was the Bulgarian-Macedonian border. The Macedonians already had problems with Greece on the other side so our point to the Bulgarians was that it would be extremely helpful if they could just come to closure on that border in order to help stabilize Macedonia. The Bulgarians, of course, felt that the Macedonians had aspirations to take over the ethnic Macedonia groups in Bulgaria which, as far as we could tell they did not. But we were pushing very hard on that, not so much that we wanted to take a position either way but just in the interest of the whole region. It took awhile but we did eventually get it done but it was heavy lifting. The Bulgarians impressed me with the quality of their people. They were very serious, very determined and they were good interlocutors. We worked very closely with them on a number of issues.

Poland. You mentioned Poland as a great example of economic restructuring and indeed they were. I mean, by far the best, the most successful in many, many ways. In the early years their transition- the U.S. Government had set up an enterprise fund to stimulate investment; it was the Polish American Enterprise Fund. As far as I know it was the only enterprise fund that actually made money. Not only did they repay to the U.S. Government the original investment, which was remarkable, I do not know of any other enterprise fund that did that, but they made a profit. So when I took over this job there was a long, drawn out debate over what should be done with the profit. The U.S. Congress felt here the U.S. Government had gone around the world investing in these enterprise funds and never saw any returns. They were thrilled to get the original investment back but also felt that the profits should come back as well. The Poles felt the profits should not come back. They were the result of their work and their labor and their suggestion was that the money be used to set up an endowed fund for Polish American cultural affairs. Anyway, we- it was one of these things where we just kept pushing it along, trying to bring it to closure but also to make sure that everybody understood everyone else's point of view. There were all sorts of specialists working on it and at the end of the day I believe there was a split with a certain percentage coming back to the U.S. Treasury which made the U.S. Congress happy and a rather hefty amount used as seed money for on ongoing entity in Poland. But that took up- that was a factor for the whole two years in every meeting that we had. In addition, we were always going to the Poles and asking them to partner with us in this country or that country.

They, as I mentioned earlier, had a real strong interest with the Ukraine. The Ukraine was- a major part of their border was up against the Ukraine and what they were saying was they had worked very hard to establish good relationships with the Ukrainians and they felt they had good control of that border but as they moved into the European Union, the day they had to apply the European Union visa regime it would close the border with the Ukraine. That would undermine and destroy all of the work that they had done to stabilize the Ukraine, which they saw in their interest. They did not want this huge unruly mass on their border, they did not want refugees pouring into Poland so they were very interested in a trilateral effort with us, the U.S., Poland, Ukraine to see how we could stabilize the Ukrainian economy. So we agreed and I worked with the part of the State Department that handled Ukraine, which was then S/NIS - the newly independent states- with my counterpart DAS Ross Wilson. We agreed to this on the understanding that the Poles would work with us in the Balkans. So for every step there was a payoff back and forth, but the Poles were very, very good.

However, one problem in Poland also in the Czech Republic and Slovakia that I ended up spending a lot of time on was arms transfers. These were countries that, from the communist period, COMECON, days, had major industries producing arms systems, radar, radar detection, all sorts of offensive and defensive arms. A huge number of jobs depended on these industries so the governments felt the need to export the products. Many of the potential buyers were countries that we did not necessarily want to see arms flowing to. So we spent lots of time jawboning on this or that illicit third country arms transfers, and it was not just a political issue -- it was a serious economic issue.

The other issue that we worked quite a lot with Poland during this period and the Czech Republic as well as several others, was restitution of looted items from World War II. And it was not simply restoring Jewish properties, synagogues, cemeteries, but if you talked about restitution from the Polish view you also had to look at the huge population of Germans that were displaced as the border shifted. For them it was not that they did not want to restore Jewish properties but they just saw it as opening the door to something that- the same thing with the Czechs. There were very, very complicated issues and this is something that Stu Eisenstadt worked on for years.

Q: Well that whole hunk of East Russia, you know, it's also the goose, it's also the gander in a way. I mean, if you're restoring stuff you can't say yes but what the Germans lost, they lost, could you?

MALLOY: So it was very, very complicated and it was an issue that would come up every time that we dealt with the Poles. But the Poles definitely were really, really good people, did a great job, worked with us very constructively.

Q: How about this whole thing with the NATO business? Was this- We had sort of a checklist, didn't we, I mean of-?

MALLOY: Well countries started first in what was called Partnership for Peace and then if they wanted to join NATO they would indicate that and NATO would sign a

cooperation agreement with them and start giving them an individualized country plan that described what they would need to do to evolve. As they got further down that road they would be assigned partners; they would be included in field exercises. I know when I was in Central Asia, through Partnership for Peace we helped Uzbekistan, Kyrgyzstan and Kazakhstan develop a peacekeeping battalion that could be used by the UN in different conflict zones around the world. There was a NATO process and this would all be run by the U.S. and NATO. At this time Sandy Vershbow was the U.S. Ambassador to NATO, and of course being an old Moscow hand who had been the East Europe officer in Moscow's political section, so he was very sympathetic.

Q: This is who?

MALLOY: Sandy Vershbow; subsequently became our ambassador to Moscow and then our ambassador to Korea. He has just come back in to the Obama Administration to work over at the Department of Defense.

So again, there was another part of the European bureau that dealt with that but it would come up on my side of the bureau as a political issue but the actual implementation would be under another of the DAS's -Ron Asmus, on his side.

The other country that we dealt with was the Vatican, as a country. People forget sometimes that it is an independent country. It has its own foreign ministry and the foreign ministry actually is very involved in trying to find peaceful solutions to long-term, intractable problems, refugee flows. They worked with us quite closely on Kosovo. I went to pay a call at the foreign ministry of the Vatican, which almost seemed bizarre to me, to discuss ways that we could work with them on reducing conflict in Kosovo during the early days. I remember Marc Grossman, my boss, saying that any entity that had the hearts and minds of so many millions and millions of people around the world was surely someone that we wanted to work with and I happened to agree with that. We did have some very good cooperation with the foreign ministry of the Vatican.

Montenegro. At this time, this was the first time Montenegro started to crop up as an entity wanting to be an independent state. They, like Kosovo, felt that it was unfair that because of their status in the former Yugoslavia they were not considered for statehood the way Croatia and Bosnia and Slovenia had been. They were very interested in being recognized as an independent state. I met with a delegation they had sent to Washington. We talked about ways in which they could be constructive in the Bosnian and Kosovo conflicts, and I was pleased that we, the USG, in the last two years have recognized them and have opened an embassy there. But this was the first time anybody gave serious thought to them as an independent state.

A huge amount of my time was spent on Albania. One, Albania was probably the least stable of all of these countries. At the time I started this job the country had just gone through a huge problem with a pyramid scheme that wiped out what little savings most people had. What went on in New York was nothing compared to what this pyramid scheme did to the people of Albania. Albania had been run by a gentleman called

Berisha, who was a very strong arm kind of guy. He had been elected democratically and right as I started this job he was unelected and a new man, Nano, a very highly educated gentleman, became prime minister. A major effort at the beginning of my time was put into the development of a plan to stabilize Albania. We could not make it better, but we wanted to avoid destabilizing it. Albania was really in bad shape.

In October of '97 I represented the U.S. Government at a ministerial meeting in Rome, along with Congressman Eliot Engel who was the head of Friends of Albania in the House. We met for the first time with Prime Minister Nano on the margins and talked through some of the ways that the U.S. Government could be helpful. We had an embassy there on the ground in Tirana that was doing really good stuff but the problems in Albania were just far beyond anything that we could deal with. It actually got worse and worse. Berisha on the margins was inciting all sorts of problems, trying to prove that he and his party were better than Nano's government.

I remember one incident in which some students had gotten a hold of a military tank. I do not know how they got it but they got in it and they were driving it around downtown, pointing its weapons at various government buildings. The government of Albania had to get the tank back and it was feared that if they tried to use force the students would get hurt- there would be huge riots, everything would get worse. Anyway, I was asked by the Albania desk officer if I would call Berisha, who was behind this, and ask him to convince the students to give the tank back to the Albanian government. So I had this bizarre conversation with Berisha and he said "but there's no ammunition in the tank, you know, they're just playing around. They can't actually shoot shells at any of the government buildings." I said, "well, that's not the point, you know. The government can't take that risk, the government has to get the tank back, it's going to generate an incident; could you please just go haul them out of there." He ended up doing what I had asked of him and seemed to find the whole thing amusing. He knew exactly what he was doing but to me the whole thought of sitting in Washington and being able to call this guy on his cell phone to ask him to get a tank back was one of the more bizarre moments of my two years there. And the fact that I dialed him directly was the other thing. You usually go through the Op Center but the Op Center had tried to reach him and got cut off. I thought well why wait for them, I'll just do it myself. So anyway, that was a very bizarre thing but every day there was something coming up.

Q: Well while you were doing this, you mentioned a cell phone. The Internet- I mean, was there a new world out there? The people you are talking to were far more, you might say, connected than perhaps our diplomats had been a decade before and all.

MALLOY: Yes and no. The Internet depended on service. Service within Albania was abysmal. All they had was dial up so if the phone lines were working you could not get through. It is not like now where you have satellite downloads. And the countries like Albania where phone service was so poor, the same thing in Kyrgyzstan, people just went to cell phones, just skipped land lines because they were so scarce and so unreliable. We ended up dealing with a great many interlocutors on their cell phones. The problem with

that was they can be monitored so easily so you had no privacy but yes, it was just getting to the point when work was being handled more over the phone than by cable.

Albania, of course, was critically important in the Kosovo conflict, because you had refugees flowing over the border, you had the Albanian Liberation Army and other groups bringing arms up through Albania into Kosovo, all sorts of issues there. But in the midst of all this we had a security threat against the embassy. They had built a housing compound, it was one of the first that the Bureau of Overseas Buildings Operations built, a dedicated housing compound had been opened with great fanfare a number of years before. And it was quite nice, a little island of Western, American style housing, including the ambassador's residence, situated in an Albanian national park. But, since there was no rule of law in Albania and extreme poverty the rule, the national park had been taken over by squatters who had built houses all around it. By the time I visited our housing compound was ringed by houses, over which we had no control, and shots were being randomly fired down into the compound. Then there was a very credible, actual threat and we realized that all our efforts to get the government of Albania to displace the squatters and take control were pointless, it was not going to happen. We offered to buy all the land, everything; that also just was not going to happen. And it got to a point where we had to draw down the embassy and close down this housing compound. And the ambassador, Marisa Lino, came up with a plan whereby she and a core staff would move into the chancery, which was more defensible, and we would abandon the housing compound. I think in the end we ended up leasing it to some other international entity. We just had too big an investment; we could not just walk away from it. I had to go to Albania to find out if Marisa Lino's plan was viable, you know, if they could actually stay there safely. This was before Iraq or Afghanistan where we expect diplomats to continue to function in a conflict zone. In Albania the plan involved U.S. Marines and Navy Seals actually in sand bag embankments all around the chancery with machine guns defending it.

Q: The threat was from whom?

MALLOY: I can't really get into that.

Q: Okay.

MALLOY: But it was real. Could we actually run enough operations plus provide reasonable living space, how would they feed themselves; there were all these questions. So I went there and reviewed it and did spoke to all the people and in the end came back and told Marc Grossman that it was pretty uncomfortable but yes, it could be done, and that was what they did until they were able to move back into the housing compound a couple of years later. The U.S. Department of Defense was none too happy with this plan because it tied down U.S. military personnel. Their role was extended a couple times but eventually we managed to get everything back to normal. But it was pretty dicey there. Bob Cekuta was the DCM and Marisa Lino was the ambassador and kudos to them for keeping it together. Had we had to abandon that embassy altogether we would have been blind at a critical moment in the Kosovo conflict. We needed a presence there to work

with the Albanian government. The PD optics of us walking away would have been horrific. So I am glad they were able to keep it together.

Q: Were we concerned at that point to look at it closely about the possible threat of a Greater Albania or was this, I mean, I take it the Kosovars didn't- were not attracted to the Albanians. I mean, they were almost a different breed of cat. I mean, they were much more sophisticated and all but I mean, was that still, maybe on the Albanian side or were they so caught up in their own problems that this just didn't catch any- have any traction?

MALLOY: I do not know what people individually thought about in their homes but in all my discussions with Nano I did not discern any desire to take on the Serbs. Kosovo was just like a nightmare for them. They had their own problems. They had problems with organized crime; they had problems with this outflow of economic funds, for instance, to Italy. They had problems with their economy. He was not interested nor did I ever discern that he had any interest in tackling the Macedonian government and the rights of Albanians in Macedonia, which was another big issue. They could not cope with what they had going on in Albania so while I am sure there may have been some individuals, and I can't speak to Berisha because I never discussed the subject with him, I never saw any attempts by Nano's government to pursue the great bugaboo out there for all these other governments, this fear of a Greater Albania.

Q: What about the Italians, since they're right across the Straits or whatever, Adriatic; were the Italians helpful in trying to stabilize Albania, I mean, to create something to keep the Albanians from slipping across to Bari and all that?

MALLOY: They were very interested in economic stabilization for exactly that reason, because they were the immediate point of entry, and also for humanitarian reasons because so many people died trying to make the crossing in those rickety boats and drowned. Yes, the Italians were very, very interested in finding ways to keep Albanians in Albania. They were much less helpful in terms of putting pressure on Milosevic over Kosovo. In many ways their position was much closer to the Russians than they were to the U.S.-UK on that. So you had these mixed signals.

Q: But if we're going to do anything, as we did, we had our air fields in Aviano and all that. I mean, Italy was going to be the base of our war against Serbia.

MALLOY: But that was not an economic issue. The whole point was to do everything to put pressure on Milosevic so that we did not have to use military force. At the end of the day they were a NATO member and they would live up to their NATO obligations but economic sanctions would have harmed them commercially because they had huge contracts in Serbia. So there was a different level of support depending on what you were asking for from the Italians.

Q: What about the Greeks? I mean, the Greeks are not good neighbors.

MALLOY: I can not say that.

Q: I served four years there but that's just my-

MALLOY: In terms of sanctions on Belgrade they would have been closer to the Italians. Again, they needed energy supplies; they had commercial contracts and aviation connections with Serbia so they were not terrifically enthused about economic restrictions on trade. We batted around sports bans, which would have had great impact on the Serbs if we could have gotten countries to ban sports but did not get much resonance on that. But again, the Greeks were members of NATO so it depended on what you were asking for. They had, you know, a long running problem with Macedonia and to this day they still have not resolved the issue of what the international community calls Macedonia. They also had their own issues with Turkey over Cyprus so there was a lot going on throughout all of this that complicated our ability to win consensus on sanctions against Belgrade.

Another country I wanted to mention where we put a huge amount of time and effort was Slovakia. When I started on this job Mečiar was running Slovakia. An old, strong armed former communist tough guy. And we had a lot of problems with the way Slovakia was interacting with its neighbor, Hungary. They had a lot of old issues relating to a nuclear power plant near their border. We had a lot of problems with Slovakia's dealings with the Roma, the gypsy minority, with tolerance issues. It was not a good relationship, basically. When an election was coming up the British ambassador in Bratislava and the U.S. ambassador, at that time it was Ralph Johnson, talked amongst themselves and decided that they saw real scope for assistance, not to undermine the Slovak government or to do anything subversive but rather NGO assistance to opposition political parties to teach them how to run an effective campaign. And also interactions with the labor unions to get them to understand a democracy and the benefits; more evangelical type work. And so the Slovak desk officer working with Ralph Johnson in Bratislava, who was drawing on his experience as DAS in EUR and the time he had spent working on the Seed Program (our funding program for assistance programs in Europe) came up with a great plan. We worked very closely with the British and divided our efforts into what we were well equipped to do and what they were well equipped to do. We worked with other countries who had closer ties to labor unions than we did. I hosted several delegations of Slovak opposition members in the United States so they could come over and consult. One thing I found really impressive was that the opposition parliamentarians who were organizing this effort to defeat Mečiar at the polls made a public commitment that none of them would accept positions in a new government. They were for change that they personally would not benefit from. I have not seen this anywhere else and it was really, really effective in convincing Slovak voters of their sincerity. The one thing that worried me was that the only thing that unified this coalition was their determination to get rid of Mečiar. Once they were in government their views were so divergent on reform and agriculture and a number of other things that I foresaw that they would have a lot of trouble down the road in governing the country.

Anyway, they did win the election. It was a huge success and in my mind it was one of the best examples of transformational diplomacy that I have seen. I give all credit to Ralph Johnson and his British counterpart; they did a great job. They were out there giving speeches targeted at the right groups, they were trying to shift the thinking of the population of Slovakia that yes, they could actually have a viable election in that country.

After the new group came into power there were problems because, as I mentioned, they had different and divergent views but we did have some small successes in convincing the government not to build the infamous Roma wall. I forget the name of the city but their solution to the gypsies was to build some huge wall a la the Gaza Strip to physically keep them out of town. The optics were just terrible so we managed to talk them back from that.

The conflicts with Hungary, we also played a role in mediating between those two groups and got Department of Energy involved in looking over the old nuclear power plant to assess whether it was safe. But I think I would have to give credit to Slovakia's desire to join the European Union as being a much more powerful tool in terms of the resolution of historical conflicts with Hungary than anything we were able to do. And again, exports to countries of concern was an issue that took up quite a lot of our time in our relationship with Slovakia.

Slovenia. Slovenia was probably the most successful former Yugoslav country in terms of economic and political transformation. They called themselves the successful Slavs. They wanted to join NATO, they wanted to join the European Union, they were already in OSCE (the Organization for Security and Co-operation in Europe) and they wanted the United States to add them to the visa waiver program. This would mean that Slovene passport holders would not need to get a U.S. visa in advance but would just show up at the U.S. border and be dealt with by our immigration authorities. They also wanted to run for the presidency of the UN Security Council. They just immediately threw themselves head first into all of these things and they did it. They were very, very good but they wanted always to remove themselves from association with the former Yugoslavia. They wanted to be viewed as Western European, not Eastern European, and our message to them was, again, same as to Romania and Bulgaria, that they had to put part of their effort into stabilizing and improving this region. They could not just remove themselves from it. It was part of the Clinton mantra, you know, rising water raises all boats.

So we challenged them to demonstrate they were willing to make an effort to help in the former Yugoslav zone. One of the things that they came up with that ended up being very successful was a demining initiative. They said that they actually had expertise in demining; they had a training school there and also a hospital that specialized in rehabilitation of people who had lost limbs or needed reconstructive surgery. They offered to make these facilities available to train de-miners from Bosnia and also to help provide medical care for Bosnians who had lost limbs due to landmines. They convinced the U.S. Congress to earmark a certain amount of money that would go to them in order to start up this project. I was asked to go to Slovenia to take a look at their facilities and to decide whether their proposed project was feasible. That was my first trip to Ljubljana.

I was actually very impressed because it was not U.S. style training; it was low tech- it was training perfectly suited for the region and it could be done in the languages people spoke in the region. They had a good hands-on training and it really opened my eyes to the fact that a lot of land mines and all sorts of weaponry from World War I continued to roll up on the coast. People had been dumping such weapons in the seas and in old mines for decades and it was still washing up on shores. This center was the place where it was safely taken apart, so that was how they developed this expertise. I had not realized it at that time that these materials were still turning up in Europe and presenting such problems.

So we ended up saying that this was in itself actually a very positive part of Dayton implementation. The thought would be that people from Bosnia Herzegovina or Croatia that had been harmed by land mines could go to this rehabilitation hospital and that the governments and the police of these regions could go to the demining training center for instruction on how to defuse bombs and to identify land mines. So I thought it was all taken care of.

But unfortunately no good deed goes unpunished and even though there was an Congressional earmark for this sum of money there was also a great interagency debate as to how much money should really go to Slovenia. And the part of the bureau, Political and Military Affairs, that handled demining saw this as an opportunity to put more money into actual demining operations worldwide. The earmark legislation was crafted to require the Slovenes to go out and solicit matching funds or put in matching funds from other donors. The U.S. Government would then give them so much depending on how much money they were able to get from other donors, and it was a multiyear thing. But PM took a hard line and wanted to interpret the legislation to cap the U.S. contribution to match whatever the Slovenes were able to raise from other donors in year one. We in the European Bureau felt that was unfair. It was designed to be a five or, I forget, five or 10 year program and however much they were able to accrue over that five years, because it was going to take them time to get this set up and to contact other donors, should have been the ceiling for the maximum U.S. contribution. There were huge, huge debates at the State department over this. PM felt that the funds would be better used in other countries and wanted to limit the earmark for the Slovene project so that more funding would be available for worldwide demining. But we were persistent. The desk officer made sure- I was a guided missile. I was so busy doing other things but he would periodically jack me up to go back in one more time and head off an effort by PM to take this money away. In the end we got it to come out the right way, and it was a very successful program. And Bob Beecroft in PM eventually became the champion of this project and went on to create the Beecroft Demining Initiative to do this around the world. So he became a believer but it was the desk who made sure this Slovene project did not get short changed.

The Slovenes also won the election to one of the non-permanent seats in the UN Security Council. I am not an expert on the UN, Molly Williamson knows this better than I do, but at some point for a period of time the presidency rotates around so the major achievement for the Slovenes in getting the seat on the Security Council, was that they also got a

chance to be the President of the UNSC. They were very, very supportive in the Security Council on Iraq and on a number of other issues so we worked very closely with them.

In this period the new ambassador, Dimitri Rupel arrived as the new Slovene ambassador and because I was new and he was new we worked very closely together. His president came to visit Washington where he had a meeting with our President during this time period. Then I went with Strobe Talbott to Slovenia for meetings so we had a lot interactions and he was very, very good. He eventually became foreign minister of Slovenia and continued to work constructively with us. You see there was a pattern that the people that many countries send to Washington as ambassador are on track-

Q: Yes.

MALLOY: -to becoming foreign ministers. We were able to get the Slovenes added to the visa waiver program, which was a big, big achievement. This made other countries of the former Yugoslav jealous because they were not there but-

Q: Well, I mean, also the statistics would show whether or not the people came back or not.

MALLOY: Absolutely. But there were other criteria and Slovenia was a stable country doing all the right things.

Q: Well was there a problem, because I go back again to the '60s, with Slovenia there was a problem with the Italians, particularly in the schools, of they wouldn't teach Slovene languages. I mean, it was one of these things that the Slovene minority was sort of treated as second class citizens.

MALLOY: In Italy.

Q: In Italy.

MALLOY: Don't think it was an issue because Slovenes who wanted to went back to Slovenia where they were doing very well and yes; I mean, they-

Q: Well times have changed.

MALLOY: Yes.

Q: What about Belarus and Ukraine? I mean, these are on the periphery but a very important periphery.

MALLOY: Especially for Poland. Belarus went to hell in a hand basket in this time period and we ended up having to pull out our ambassador. Poor Dan Speckhard had a very short tenure there but is now serving as ambassador to Greece so he is happy. There was nothing we could do; we had very limited assistance funds going in there, just

basically helping NGOs to develop political parties but nothing going to the Belarus government. It just became a great black hole for that whole two year program.

Ukraine much more interesting. We had all sorts of things going on with Ukraine, everything from Department of Energy work on the nuclear Chernobyl power plants, and efforts to rationalize their power distribution system. We were looking, not me personally but more EB, which is the Bureau of Economic and Business Affairs and Tony Wayne, who handled economic issues, were looking at the Caspian energy flows transmission lines to Europe. Ukraine, of course, was an important part of that because the old Soviet pipelines go through there. Trafficking in persons, it was an issue as well. Intellectual property rights were an issue. You name it. I mean, Ukraine was hugely important but handled by a different bureau so I would look at it as it- same thing with Moldova - Romania of course had a huge interest in Moldova - So I would look at it as it affected the countries I was dealing with but not so much the prime. SECI, Dick Shifter's Southeast Europe Cooperation Initiative, was interested in Ukraine in terms of the Black Sea and regional environmental cooperation. They would be invited to observe different events and meetings connected with these subjects. But we did not have prime responsibility. I had much more to do with Ukraine in my job at Department of Energy than I did at this job.

Russia.

MALLOY: Russia. Again, I was not responsible for Russia; that was the responsibility of S/NIS - the bureau handling the newly independent states. But you can not touch this region without interacting with what the Russians considered to be their equities. The toughest thing throughout this whole period was to keep the Russians engaged in a positive way but to make clear that we did not accept that this was their back yard. We respected the rights of these newly independent states to decide themselves where they saw their future. Most of them wanted to find a place in the European security architecture, as we called it. OSCE, NATO's Partnership for Peace maybe but if they did not want to join NATO, the European Union; they wanted these structures as a form of protection. But we could not afford to simply shut Russia out; they were critically important. The Russians had a huge influence on Milosevic, for example, so in terms of Kosovo you had to talk to them. Russians controlled the energy supplies for these countries. There were groups of Russian expatriates in many of these countries who had to be dealt with. Making sure that these countries treated these groups appropriately was very important, especially if you look at the Baltics. So that was our challenge; we had to play constructive but not let the Russians block the aspirations of these countries to join different security structures.

I traveled to Moscow at one point with Sandy Vershbow who was then our ambassador to NATO, and our point in going there was to make clear that non-military means to resolve the conflict in Kosovo had been virtually exhausted, to make clear that the threat of military force through NATO was a real threat. Our hope was that they would then convey this to Milosevic. We did not have any illusion that we would get them to buy into it. So we had a couple days of discussions there.

Q: How did those go?

MALLOY: They were, as you would say, businesslike and constructive. We met with a lot of serious people. At that time the acting foreign minister was Igor Ivanov as opposed to Sergei Ivanov who was minister of defense. I had met with him before a number of times and the Russians current Permanent Representative to the UN in New York was one of the deputy foreign ministers we met with. Up until that time the Russians wanted the issue of Kosovo handled in only two places: in the UN Security Council, where they had a veto, and in the contact group on Kosovo; they were participants. By moving it to NATO it was being moved into a pipeline where they would not have a veto. They were not NATO members and what came out of our discussions in Moscow was recognition on their part or agreement with us that the trigger for military force was likely to be IDP, Internally Displaced Persons flows in the winter. At some point the sight of large numbers of people freezing out on the hillside was just going to force action. The movement of IDPs was being stimulated by shelling and military actions that Milosevic could control. So we made clear to the Russians that they had to get him under control and then there would not be renewed flows of IDPs. That would give the international community more time to come up with a non-military solution. In the end either they did not give the message to Milosevic or he did not believe them, I cannot speak to that, but it did not stop, we did have continued IDP flows and NATO did end up taking military action. So, we gave it our best effort but we certainly had discussions with them about that and I believe Sandy Vershbow was there several times.

The other thing I wanted to mention, two things that were not related at all to East Central Europe that I spent a lot of time on. As DAS you are heavily involved in personnel assignments. This was an eye opener to me, the role of the front office in selecting potential chief of missions, who the bureau candidate was, deputy chief of missions, principal officers at constituent posts. As soon as I took this job I found I was everybody's best friend. People that I had only met casually here and there wanted to take me out to lunch. I had never been particularly aggressive about networking in my career and so to me this was purely bizarre but it is normal behavior for smart Foreign Service officers. When the bidding and assignment seasons came up, with everything going on in Albania and Kosovo the last thing I had time to think about was assignments but they are critically important to the success of missions and to the individual officers. We had to carve out time to pick through the bid lists, come up with the best people for each of these jobs, and then participate in the DG's, Director General's, process of winnowing down and agreeing between different bureaus. We had one vote as the regional bureau and then the human resources bureau had a candidate and if it was a technical job then the functional bureau would have a candidate. The DG's office had more votes than any of us in the end. That was an eye opener, how that process played out.

The other thing I should mention was mentoring. Any good leader, good manager has to create time to train the next generation. One of the things I did was I agreed to mentor an A-100 class of incoming junior - entry-level - officers. I also continued to support the State Department's long-running Model UN program in the D.C. Public Schools, and I

spent a huge amount of time mentoring and training the desk officers. As I traveled around to embassies I would try to meet with the entry level officers to talk through career progression and how they saw their work. Really, really hard to find the time to do it.

I was an adjunct professor here at the Foreign Service Institute and I would speak at the political trade craft course on a regular basis. They asked me to speak on how an officer could impress or not impress an ambassador. I developed a list of rules for that, which I gave them in writing. They really liked my rules and especially liked one rule that I called “the so-what rule.” It amuses me now as I go around the world and I hear entry level and mid grade Foreign Service officers talking about "the so-what rule," which was something that I had drafted back then. When my entry level political officer in Kyrgyzstan would give me a reporting cable I would read the whole thing and then I would write on the margins, "so what?" And I would give it back to him. What I was trying to convey to him, and eventually he came to understand, was that when I first started to read the cable it had to tell me right off the bat why I should bother reading the text. Why it was important? I tried to get officers to recast cables so that the subject line and the opening statement in the summary paragraph told the reader why he or she should take the time to read it. My experience on the seventh floor was that 99 percent of the cables are not read; nobody has time to read them. So each cable needs a grabber. But basically your briefings, your cables, everything has to follow the "so-what rule." I still follow that to this day. I have my list of rules that I take with me on inspections in case they ask me to speak to the entry level officers. I always offer to give them a briefing on that.

This was the time period when USIA was merged into the State Department. Marc Grossman offered the European Bureau as a prototype, to be the first bureau to absorb USIA officers. That was wonderful for us because it coincided with the huge expansion of Kosovo activities. And so we were able to, rather than reaching out to USIA across town, we were able to have these public diplomacy officers as part of the stable of officers we set up on Kosovo. They were merged right in to the country desks and from day one started producing great stuff. Brian Carlson, who has since retired, was the senior USIA officer in EUR at that point. It was a very, very positive experience for the European Bureau; I do not know how it played out in other bureaus but worked very well for us. We first decided we would set them up in their own shop until they felt comfortable. I facetiously called it the pound puppy approach. We had them there as a stable and they were each assigned different country desks. Our hope was as the country desk became accustomed to using them and saw their value that they would ask to have them physically there, which is exactly what happened. So our pound puppy approach worked very well.

The other thing that came up, that I ended up being heavily involved in, sadly, was the Swiss airplane crash off the eastern coast of Canada. At this time Canada was still part of the Bureau of European Affairs, subsequently it was moved to Western Hemisphere Affairs. But when the plane crashed we had responsibility for Canada. I had served in Canada so I volunteered to take the lead on this for a variety of reasons. The leading actor

on the ground was our consul general in Halifax, the tiniest of all our posts in Canada but the one that physically covered the place where the crash had occurred. There were 100 plus Americans on the plane so the U.S. Government became heavily involved in search and rescue operations. The Safety Transportation Board had people up there and FBI so coordinating this back in Washington was interesting and complicated. Years later when I ended up with responsibility for the Hurricane Katrina task force I thought back to this experience because it was the mirror image, where we were going in to help the Canadians and the Swiss and Hurricane Katrina was the Canadians stepping in and helping us. So there were a number of parallels.

This was also one of the first times when the American public insisted on the recovery of bodies from an aircraft accident in the deep sea off the coast. There had been- A plane had crashed in, I think it was Long Island Sound-

Q: Yes.

MALLOY: -right off New York City.

Q: But that was-

MALLOY: It was different. This was- You needed deep sea-

Q: It was on a shelf there and wasn't that deep.

MALLOY: This was very different so it was a major exercise. And then, with all of these Americans, under Canadian law getting a Canadian death certificate would have involved years and that would have left these families in a terrible place. So one thing the consul general was able to do was to work out a presumptive U.S. report of death, which allowed these families to get insurance payouts and deal with the legalities. So it was very, very complicated. There were protocol issues and memorials and there were consular issues and there were law enforcement issues. It took a lot of time. But I think we did a good job making sure it all got done and it got done properly.

And I am sure there were tons of other things but those are the-

Q: Alright. Well, we'll pick this up the next time; you're moving to the Department of Energy, is that right?

MALLOY: Yes.

Q: And what was the period of time you were there?

MALLOY: I was there, let's see, '99 through January 2001.

Q: Okay, we'll pick it up then. I might just, on this, point out that you were talking about mentoring and all; you know, mentoring was not even a word in my vocabulary when I

came into the Foreign Service and almost the entire I was there; that was from '55 to '85, which was, looking back on it, I mean, I was- obviously everybody does some mentoring but it should have been much more organized as it is today. It's a very important role and, like so many other things, we had ignored it. It was sink or swim.

MALLOY: Yes. We are still not perfect but we are doing a much better job.

Q: Yes.

Q: Okay, today is the 13th of July, 2009, with Eileen Malloy, and we are now in 1999 or something; you're off to-

MALLOY: Nineteen ninety-nine.

Q: You're off to Department of Energy.

MALLOY: Right.

Q: Well how the hell did that come about?

MALLOY: Well, I'll explain that. I thought we should do one last thing before we leave EUR though.

Q: Sure.

MALLOY: And that is to talk about managing crises at the State Department and lessons learned from Kosovo from a process perspective. I was thinking about that this morning as I was reading in the newspaper about the ungodly 18 hour days that the Obama White House staff people are putting in, seven days a week, and how unhealthy that is. That brought me back to Kosovo where we did that going for nine, 10 months straight and it just sucks the life out of you. You find yourself so exhausted that the minute somebody is not yelling at you to do something you fall asleep. And so seeing somebody fall asleep in a meeting was not at all unusual. I found if I had to go to a doctor's appointment, if they put me in the room before the doctor came I was out like a light. It was so unusual to have a few moments of quiet. But out of that we learned a lot of lessons and what strikes me is that FSI or the Department needs to actually do some training for chiefs of missions and assistant secretaries and DASes on how to anticipate and plan for these things, because if you are learning on the job you never catch up.

Q: And also one of the things, I mean, it obviously is not healthy falling asleep but also decisions made are not particularly well thought out.

MALLOY: Exactly. And things that do not fit in with your decided course of action become irritants that you ignore rather than deal with when you are at that stage. But I thought for terms of- to help out people who are not familiar with this I would give you a metaphor, an analogy, and that is if you think of a major league football game or even the

Super Bowl where you have special teams and you have a coach and you have an owner and you have a National Football League and you have all sorts of people running special teams and you have a quarterback. I was not the quarterback; Chris Hill was the quarterback in terms of deciding the minute by minute plays and the negotiations. But my job was to make sure the machine kept running and that all the components were in synch with each other and not working against each other. And in this case we had up to 15 special teams on the field simultaneously and no referees. So if you can imagine the potential for chaos, it was just unbelievable. We realized very quickly that we could not just leave the part of the European bureau responsible for this region to handle this on their own. We made a conscious decision to set up a bullpen, for lack of a better word, to which each part of EUR had to contribute people to do drafting, all the drafting that was required so that the true regional experts could be supporting Chris Hill and fine tuning the material. So we had that bullpen.

We had a special team working with public affairs, deciding who should go on speaker programs and who should speak to which journalist and what would be the most helpful way to communicate to the people in the region. We had a team at U.S. UN trying to keep the Security Council process going. We had a team focusing at NATO, because you had to do all the contingency planning for possible military force if your negotiations were based on the threat of force. We first had to figure out how we would actually use force, if it came to that. We had a team at OSCE looking at all the human rights and genocide issues. We had a team looking at potential use of the war crimes or international court at the end of the conflict in order to hold the players accountable for atrocities. We had a team looking at refugees; I mentioned Julia Taft the last time we spoke and how best to help the people in the first crisis. We had a team managing relations with Russia, trying to keep them working with us constructively and not destructively fighting off some of our efforts. Teams were watching China, Japan and other key players. In each major capital in Europe the embassy was very actively involved which meant they needed guidance on a daily basis, they needed to understand the latest nuances. It just goes on and on and on and the role I was playing was making sure that everybody knew what they needed to know so that they could do their job and do it effectively. We were also the center for communicating with the interagency group, making sure that our counterparts at DOD were working in line with us, making sure the NSC was getting what they needed, and also we were the link to the ethnic communities and the NGO world and the outside players like Holbrooke who wanted a role in all of this. He felt he could add value because of his contacts with the Albanian American community and also contacts with the Hill. I ended up being the face up on the Hill giving the briefings, participating with DOD.

But the lesson from all of this was that you needed something on the order of 50 or 60 people full-time engaged in something like this and no bureau has that surge capacity. So we had to be very inventive and pull absolutely everybody, all sorts of people who knew nothing about the region but who could perform a discreet task, almost like a task force up on the seventh floor. And the operation had to be seven days a week and it was almost 24 hours in the sense that we had shifts of people who would be in at 5:30, 6:00 in the morning and shifts that would go to 10:00, 11:00 at night and indeed sometimes it was 24

hours when there was an action going on, for instance when the talks were being held at Rambouillet and everybody in different parts of the world needed instant readouts. One thing that we learned from this was that the DAS, which was me, who was supposed to be running this whole thing, cannot function 24 hours a day, seven days a week. I was fortunate to have a shadow; Jeff Dafler agreed to shadow me wherever I went. He actually pulled the earlier shift, I stayed later and his task was to make sure that when I came in I knew everything that had happened. And then he kept up the matrix of activities and taskings. Eventually that matrix was the document that kept all these players informed. If they wanted to know what had happened at a Principal's Committee meeting or DC, Deputy's Committee meeting, they could see from the actions tasked in the matrix what had come out of it and knew how they could fit into the larger picture. So it took a tremendous amount of work to keep this up and running but it was the only way that we survived.

Q: You mentioned earlier that Chris Hill was reporting straight to the secretary more or less, and here you are trying to run this show; I mean, you can see a huge disconnect. I mean, it's like the quarterback not talking to the center, who hands off the ball or something.

MALLOY: That was a huge problem because he would talk directly to the Secretary or if- for press he would speak to Jamie Reuben but those people did not in turn task the great machine that needed to support them. It needed to be double tracked and that did not happen - one of the key faults. The other difficulty was all the outside players on both sides. There were people in the former Yugoslavia, in Italy, in the United States who felt if only they could take a role in this process they could do some good. Many of them had their own agendas, their own equities and managing that was difficult from the position that I was in because I was not a "name." In other words I was a bureaucrat and I was there to run the machine, I was not somebody with an internationally recognized name like Lee Hamilton or Senator Lugar or Holbrooke who could influence these outside players. So you need to have a name, a person who goes to the contact group meeting, a person who works with foreign ministers and prime ministers but then you also need to have this machine that is very nimble, that actually comes up with the ideas on how to move this forward, how to distract negative players, how to motivate reluctant players, how to reach out to a wide variety of secondary players and see where they could be helpful. There were so many governments who wanted to be involved but really were not on the front line. Finding roles for them was time consuming but we were able to do that while the "names" were out there doing the negotiating.

The lesson we learned from the Bosnia example was that if the Assistant Secretary became totally wrapped around the axle doing a single issue everything else in that regional bureau was harmed. So Marc Grossman tried not to take that role and tried to have Bob Gelbard and Chris Hill take that role. But there were many activities that he would perform personally when his name and stature were required but everything else would default to me.

But something that I would like to see the Department do more of is this kind of simulation exercise. I know we do crises overseas but it is a different type of simulation; it is not this Washington backstopping kind of event. And the more people go through this the better they are to handle this in the future. For instance, the work I did on Hurricane Katrina, I had the benefit of having already gone through this process and knew what the Secretary needed, knew what the public affairs people needed so that I was already tasking this and producing it before anybody asked for it.

But Kosovo, at this point I left this responsibility and moved over to DOE but Kosovo even followed me to DOE. But first, to answer your earlier question, how did I end up at DOE-

Q: Well before we- we're still talking about this team thing; something that intrigues me. Okay, let's say Denmark says gee, we want to help. Denmark is not a sort of a frontline state but I mean, what would you do? I mean, I'm talking about this as a minor but the problem that one had to deal with, you get all these things coming in, how to deal with refugee thing; could you call together a group of wise apparatchiks like yourself who would say okay, we've got a problem, what do we do? Or do you sort of solve that on your own?

MALLOY: You do a little bit of both. It depends on the nature of the beast. Internally, within the U.S. Government, we always first go to the desk in terms of them alerting us to the need for action and the initial- their proposed solution, they are talking to the embassy on the ground, they are in the best position. But as you start to get to technical things, for instance the embassy may come back and say there is a report of a massive outflow of internally displaced people. The desk is not necessarily in the best position to deal with the humanitarian crisis. They are policy people. So at that point you pull together the desk and somebody from the Bureau of Population, Refugees, and Migration and somebody maybe from the financial side of the building if it involves giving money to a UN organization, and somebody from public affairs and on and on and on. As a group you ask them how are we going to respond to this? First of all, what is the press guidance? You know, you do not want the Secretary caught unaware. As a team you would propose a solution and then if it was within the power of the Assistant Secretaries to act on it you would go to them. If they agreed they would do it. If it was not, for instance, if it involved reprogramming money you would send an action memo up to the Secretary saying here is the crisis, we propose to do this but you have to agree to rob Peter for us to give this to Paul.

So it really depends on the specifics. Some are very technical. For instance, all throughout the run up to military action in Kosovo there were many, many meetings to make sure that if we did have to use force we would not have unnecessary collateral damage so we wanted to know what was where on the ground. What could you possibly harm?

There was a nuclear research reactor in the vicinity of Belgrade so, of course, we wanted to take all sorts of care to make sure we would not hit this. The reactor was fueled with

uranium from the Soviet Union, Russia at that point, but originally it was former Soviet fuel so the Russians had an interest in it. There was an environmental concern, so then you would have to go to a player like Department of Energy and get their advice on how to deal with it. And that was one of the issues that ended up following me to DOE. So if a leader, manager decides that he or she is going to simply come up with options on his or her own and take action on them, in all likelihood the person will very quickly get out of his or her depth. The role of the coordinator in this kind of process is to make sure the right people are involved in developing the ideas, vetting the ideas and carrying them out. Nine times out of 10 that is not the Deputy Assistant Secretary; it is somebody who has up close and personal information, understands the players, knows the resources.

Q: Well you know, you're talking about something and maybe this is- sounds like it's being done more effectively because in my interviews and talking to people, I have- I've seen often how, as crises develop it attracts the operators. I mean, these might be Foreign Service officers, they might be political types but these are people who sense the action, maybe even the center stage. But whatever it is they come in and they tend to drive out the experts when major decisions are made. I mean, I have a feeling that Iraq was done that way, that sort of the real military planners, the real State Department planners and all when we went in.

MALLOY: Well that's another angle. There are two things that you have mentioned there. First of all, I cannot say whether you are right or wrong about Iraq but definitely this kind of thing does attract people who want to build a name for themselves. Any smart Foreign Service officer goes where the action is. That is where you get seen, where you interact with higher level people. It is a more egalitarian situation when you are in the midst of a crisis. It does not necessarily mean that they are not good people because they are attracted to conflict situations - you want to have them on your team.

Q: No, and also it's exciting too.

MALLOY: It is exciting but the vast majority of work that needs to be done is not going to give you that kind of adrenalin rush. I mean, of the 50, 60 people we had there only one or two were out in the field with Chris Hill, participating in negotiations or writing up draft cables. Most people were engaged in what we call feeding the fish, churning out the material that is needed so that we keep the public aware, we keep the Hill aware, writing endless memos for the Secretary so that in every meeting she is most effectively using her time, pushing for what that particular interlocutor can do for us on this issue. So if somebody is just there to make a name for themselves they very quickly drift off. But, I have to say in hindsight, one of my great mistakes, if you want to say mistakes, in this process was that I went so far to the other side. My goal was to keep my head down and make this run as smoothly as I possibly can. It did not matter to me at all whether anybody knew my name, what anybody thought anything about me. I did not see this as Eileen Malloy; this was Kosovo, it was suffering, it was dangerous. And the more I could showcase my subordinates, the better. So if there was a meeting, let's say, the Bulgarian prime minister comes to town and is meeting with the Secretary, if I could set it up so that the desk officer for Bulgaria was the note taker in that meeting with the Secretary I

would do that. Not that I did not want to be bothered but I wanted to give the desk officers the opportunity to have that experience, to be there to answer the specific questions. And this was the philosophy that Marc Grossman was trying to encourage. However, what I found was that over time, since the seventh floor staff were not seeing me in the Secretary's office and they were not part of this Kosovo machine, I did not exist for them. All they saw was this other parade of working-level officers. So the lesson I learned was that in addition to working hard and doing a really good job and taking care of my people and working down, and I also needed to be working up and doing the right thing by my immediate boss, I needed to be more aware of that political aspect.

Q: Yes, to- to- Well, it's the thing of letting people know that you're in charge. I mean, of whatever- what aspect, rather than- So this goes from delegating to showing your- In other words it's a fine balance.

MALLOY: It's a fine balance. And over time- I guess if I'd known that the Secretary wanted a DAS level person in those meetings I would have been there in a minute. There was a steady stream of these meetings. I could have done nothing but sit in these meetings and then I would not be doing what I was supposed to be doing. You need to trade off. But in hindsight I should have split it differently.

Q: How about meetings? You know, one can spend, I mean, in the normal Foreign Service work in the State Department one can get overwhelmed by meetings but in a crisis they obviously- you have to have something but how did you feel these were working?

MALLOY: Well the meetings were non-stop and that was part of the reason why Jeff Dafler came on to be my shadow because we were both there through meetings and then in between he would go back to the matrix, update it, call people, get out the taskings where otherwise I would not have been able to do that until the evening. I would have six or seven meetings each day that would yield taskings that would need to be sent out. So having Jeff there was very handy. Or we could grab somebody and just hand them written notes as we walked out of one meeting saying here was all the taskers out of this meeting, please put them in the system. We would then go into the next meeting. There were SVTS, which are the secure video conference meetings; they were early morning meetings to brief the Assistant Secretary for European affairs, Marc Grossman; there were meetings to brief the Secretary's senior staff. Then there were all sorts of specific issue group meetings. There were meetings to prepare for trips to the region and negotiations and there were meetings with specific foreign diplomats. So all I did all day long was meet with people.
It was just- I would pull together small group meetings with my counterparts at different interagencies so I would be working with Bear McConnell and George Casey of DOD, I would go over to DOD, go up on the Hill with Walt Slocombe and at one point I know we were considering working with Shali, General Shalikashvili, because he had contacts in the region, but Holbrooke ended up seeing him, briefing him. It was a strange situation where you are torn between the process and the policy. You have to be an expert on the policy and the only way to do that is to be in every single meeting because it gets

tweaked and shifted slightly in every meeting. And then you have to be the person to operationalize the results. Well how do we put pressure on country X? The decision of the policy is put pressure on country X. Somebody has to come up and say well, trade sanctions or a visa ban or a sports ban or shutdown commercial airline flights or threaten war crimes prosecution; you know, here was a range of possibilities. It was very, very tough and I left at the point where a decision had been made to use force. We may have talked about this before but basically the Administration finally reached a decision to use force through NATO if Milosevic would not agree to certain things, certain things that he would stop doing, which were causing the refugee outflows and harming the Kosovars. We had delivered a diplomatic note to the Serbian government outlining the actions Milosevic needed to take in order to prevent NATO military action. His diplomatic representative in Washington, a chargé, came back and gave me a diplomatic note in which the Serbs simply said no, they did not agree that they needed to stop doing these things. That was the trigger for use of force. But actually, I think I told you, we had to do the exchange of notes twice. The chargé came in with the official Serb note, gave it to me to read, and I gave it back to him and said we could not accept it. He thought I was talking about the substance of the note and said, "but I'm directed to give this to you; you have to accept it, it's a diplomatic note." I said no, I don't think you want me to accept that. And he asked why. I said well look at it. In his haste he had typed it incorrectly, instead of addressing the note to "The United States of America" the note was addressed to "The Untied States of America." I pointed out that this diplomatic note would live on in the history books and I really did not think he wanted it to say the "Untied" States of America.

Q: All of us have written that at one time or another on a typewriter but-

MALLOY: I have never seen a man go so pale. He was mortified. I told him that I would be in the office for another hour and suggested that he redo it and come back and give it to me. So we had to go through the kabuki all over again an hour later when he came running back in with the retyped note. And I did not do that for Milosevic; I did that so it would be right in the history book.

Q: Sure.

MALLOY: I just thought it looked silly, demeaning.

Q: Oh yes. And it would have diminished the enormity of what was happening because there would be talked about the Untied Treaty or something, you know.

MALLOY: Yes. Yugoslav may have been untied but the United States certainly wasn't. I was supposed to go over to DOE-

Alright, so now we come to the Department of Energy.

MALLOY: Yes. It was my onward assignment and I was supposed to move over there in summer of '99. I think it was in early April and I was en route to Florida where I had

been dispatched to give a speech at an American Express travel conference featuring Croatia and Eastern Europe. Even with everything going on in Kosovo we had been put under tremendous pressure to send someone and it was my area so I was making a flash trip down there. When I was in the airport in Atlanta transiting between flights I heard my name called out. When I took the telephone call it was from the senior assistant, chief of staff, senior foreign affairs assistant to Secretary Richardson asking if I could come over to DOE earlier, like right away. And it turned out that GAO (General Accounting Office) had written a couple very critical reports of some of the programs being run by DOE in Russia and the Secretary just could not get enough information, did not know exactly what was being done, did not like the criticism, wanted it taken care of and could I come over earlier rather than later and help him deal with that.

So when I got back from Florida I went and spoke to Marc Grossman and said Bill Richardson wants me to come over within the next 10 days but it's your choice, you know. I can leave right now or I can stay to this summer, however you want to do this, let me know. I did not want to walk out in the midst of a crisis. What he said was that it really did not matter either way because with the decision to go to force the nexus of activity would move over to DOD. In other words sometime in the next 10 days we would end up taking military action and therefore this was as good a time as it might be in the summer for me to leave if that was what needed to happen. So I went over earlier to DOE; I went over- I was there by April, and the original concept was that I would work in the part of DOE that ran the programs with the former Soviet Union, the nonproliferation programs. Since then DOE's has been reorganized and it is now NNSA, the National Nuclear Security Agency, within DOE, but at that time it was what we would call a bureau at Department of Energy. I would work for the assistant secretary of that bureau, Rose Gottemoeller. Rose and I happened to have gone to university together, she is a Russian language speaker and we had known each other for many, many years. So that was good for me and my job was to make sure the Secretary understood what was going on and understood what the issues were that were concerning GAO and that he received an unvarnished view of how to fix them. In essence, I was the fox put into the henhouse but I do not think that was entirely clear to my immediate boss, Rose Gottemoeller. At the time she seemed to think she was being given a senior advisor to help but did not realize that the reason I was there was to serve two masters. I am just speculating but the way it played out it did not appear that she initially understood my role. And I have to say, coming into this, even though I had worked in Moscow as a science officer and also had spent two years running the office that was supporting the INF treaty, intermediate nuclear forces treaty, and working with the Russian nuclear forces folks, I was not a scientist, I was not a physicist. I was an international affairs officer and I saw my role as, again similar to Kosovo, trying to figure out how to make the machine run and make sure that the technical experts at DOE had the benefit of my understanding of the former Soviet Union. But I did not see myself as telling them how to run nuclear safety programs or material protection control and analysis programs or whatever. So it was a huge learning curve for me.

In the first six months it felt like I got the equivalent of a Masters degree in nuclear engineering. I had to understand, learn the terms of art in a completely alien environment.

That I was prepared for. What I was not prepared for was the difference in culture between the State and DOE environments. I naively thought that the bureaucratic culture would be similar to the State Department and found it to be completely different. At the State Department you have a hierarchy, you have Civil Service employees who stay in Washington, for the most part, and you have Foreign Service officers who rotate around the world and also do some tours in Washington. And these two groups in theory are co-equals but in reality the best policy jobs are usually restricted to the Foreign Service. And you have a smattering of presidential management interns or other types of interns and you have an occasional Schedule C senior advisor and then you have the high ranking jobs that are Schedule C and the rare contractor in some of the bureaus.

Department of Energy was completely different. First of all, there were no Foreign Service types, it is not a foreign affairs agency so even though they do work abroad they do not have a dedicated group of foreign affairs officers as does Commerce, Agriculture, State Department obviously, and DOD. So what they have there is 50 percent Civil Service employees and about 30 percent contractors. So this was the first time I ran into that, where the role of DOE had expanded so quickly over the years and they did not have sufficient permanent position so they had huge contracts with what we call euphemistically "beltway bandits." These people were sitting side by side with Civil Service people but because they were contractors there were limitations on how they could procure or handle certain funds or indeed manage a program themselves. And then you had the Schedule C political appointees. I naively thought that whatever a Cabinet member wanted to know the people in the bureaus would fall over themselves to tell him or her, as we do at State, and there was nothing you wanted more than somebody up on the seventh floor who was actually interested in your work. It became clear to me very early on at DOE that the game was "keep away." To the extent that they could keep the Secretary from becoming involved in their work, except when they wanted him to travel overseas or have certain meetings, the better. And whenever a request would come down for information there would be a dog and pony show that would be put on. But at no time would the bureau actually discuss the problems and limitations, difficulties they were having. Nor would they discuss that on the Hill. Everything was always described as being perfect, manageable, and I found that very frustrating. It was also clear to me early on that, to the extent that they could marginalize me in my position and keep me out of the info flow they would do.

Q: You might start here and explain what this whole apparatus was doing at the time.

MALLOY: Sure. Department of Energy is a bit of an artificial creation that goes way back. The part I was dealing with was primarily nuclear. But DOE's main role is fossil fuels, renewable energy supplies, energy efficiency all over the world. There are many bureaus at the Department of Energy engaged in those functions but this particular bureau became involved in supporting the Department of Defense's efforts under the Cooperative Threat Reduction, CTR. That was when the Soviet Union broke up and in the former Soviet Union there was a Cold War legacy of nuclear materials and delivery systems that were at risk. The governments themselves did not have the resources to meet international standards to protect that material. Plus, as we started cooperative reduction

agreements in dismantling weapons, all we were doing was taking apart the delivery systems and adding the nuclear material to the protection problem. They had to safely store and dispose of the nuclear material that was inside those bombs and make sure it did not fall into the wrong hands. So this whole era of lose nukes and suitcase bombs and people worrying about all these things was what drove this program. When the Department of Defense ran the program, because initially it was focused on military weapon material and dismantling ballistic submarines as a delivery system, for example, they did not have the technical expertise so they turned to the Department of Energy, which of course supervises the National Laboratories, Los Alamos, Sandia, Argonne, Brookhaven. These are the people that would tell the Department of Defense how to construct a cask to safely secure material or how to judge the best way to provide safety systems at nuclear power plants or facilities. Over time, rather than getting money from the Department of Defense to perform this role the Hill started appropriating money directly to the Department of Energy to run these programs. The split became that Department of Defense would handle dismantlement of the armaments and then once the nuclear material entered the stream as raw, highly enriched uranium or plutonium the Department of Energy would become involved.

So when I showed up there were many different programs; there was one on nuclear safety where we were trying to help them take the old Soviet era nuclear power plants and both improve the operating, safety operating systems, think back to Chernobyl, and also to do a better job of protecting the material used there so it could not be stolen. There was another program called material protection control and accounting, which was training Russian scientists how to better store and safeguard and account for the nuclear material that they had all over the former Soviet Union in research reactors, power plants, where ever, and also the places that were fabricating the actual weapons. There was a program called Second Line of Defense; your first line of defense would be protecting the material where it was located at a research institute or whatever. Second line of defense was installing equipment at major ports, airports that would detect somebody walking through with nuclear material that they had stolen or purchased on the black market. We had a program called Nuclear Cities Initiative, and that was designed to anchor the people who had nuclear or chemical, biological expertise. Because the Russian government could not pay people a living salary the fear was that these people with highly specialized knowledge would up and go to work in Iran or Libya, so Nuclear Cities Initiative was an attempt to put their knowledge to use where they could get paid to use their expertise in non-weapons projects, and that program would look for things such as remediation or environmental cleanup activities or computing centers, some place to keep them there doing things that were not harmful to either the Russians or to us.

There was also a huge section working on the sale by the Russian government of enriched uranium that had come out of former weapons when they were all consolidated in Russia from Kazakhstan, Ukraine, Belarus. It was being sold to commercial entities using nuclear power in the United States. And these are just a few of the things that different groups of DOE staff members were doing.

Now, the problem was that Department of Energy was never organized geographically. The State Department has two layers, you have the geographical regional area and then you have a technical or functional area. In DOE you just have a technical bureau. So if you wanted to know what was going on in Russia, what projects Department of Energy were involved with in Russia, nobody knew. Not one person at Department of Energy could answer that. There were so many different- And that was what Bill Richardson wanted to know, and that became my role.

But to do that I had to go program by program, talk to people, find out what they were doing, how they were doing it, how many people they had involved, what their concerns were. So I spent months just talking to people. And my job was to pick up rocks and see what crawled out from underneath. So if I was cut off from information then I could not do my job. The Secretary wanted me to do a report for him so I spent my first few months working on that. Clearly I was a threat to the status quo.

Q: Oh God yes. Talk about breaking rice bowls.

MALLOY: Big time; big time.

The other thing that I was shocked to discover over there was I had never been particularly thrilled with the State Department in terms of diversity and equal opportunity but after my time at DOE, when I came back to State, it looked so good. I was shocked by some of the things that I was told about or saw myself over there that I did not think you could get away with in the U.S. Government.

Q: We're talking about- It was a time- It was sort of a learning generation of- what did they call it? Well, jokes that were aimed at females or-

MALLOY: Not so much that; it was hiring and firing and basically they would- jobs were not posted openly and if they were there was no open competition. They were just selected by one or two people and if you looked like them and came from the part of the country they came from and talked nice to them you got the job. And if you did not look like them you did not get the job. And if you said anything about it you had no future. Since there was no transparency in assignments, in allocations of budget, in what project got moved to another, the minute you were perceived as rocking the boat you were dead over there.

Q: Well, could we talk just a minute about Bill Richardson, a little of his background? Now we know later people might probably don't but also how he struck you and his role in the management. Obviously he knew he needed something and called you but could you talk a bit about this.

MALLOY: Well when I talk about these EEO problems I am not talking about up in the front office, near the Secretary; I am talking about within this unit that works with the Russians.

Q: I understand.

MALLOY: Bill Richardson obviously has a great interest in and a great skill in foreign affairs. He had been permanent rep at the UN for the U.S. Government; he had been special negotiator on a number of international missions to North Korea and other places. He really saw foreign affairs as a major, major part of his job at DOE, and indeed that was how I ended up over there. His assistant secretary for international affairs was the person who got in touch with me when they were looking to fill this position. Bill Richardson was a close personal friend of the President's, Bill Clinton's, and they were very similar in many ways. Neither of them needed more than three or four hours of sleep at night, they were hyperactive, they were people people, they loved interacting, extroverts, loved to laugh, hard charging kind of person. So all of that made him really, really good at negotiations. He was tenacious. But these qualities also made him less adept at the day to day, Chinese water torture, drop by drop kind of things you have to focus on management. And I think he was aware of that so he was very good at delegating. He had a rock solid Deputy Secretary in T. J. Glauthier and his number three, Dr. Ernie Moniz was also excellent, both as a superb physicist but also a really good leader/manager. Bill Richardson was very good about coming up with the concept of how he wanted to go forward and then telling them to take charge.

The difficulty was in the institution I was handed; there was no line of authority between those people and the actual mechanism, the people doing the work. Unlike the State Department the assistant secretaries at DOE only nominally report to the people running DOE. They have their own budget from the Hill, they are not dependent on the DOE front office. They have their own press set up. They have their own authorities. There was a constant battle on the part of the Secretary and his deputies to make the activities handled by the DOE bureaus come out the way the Secretary wanted. Of course, he saw his role as doing what Bill Clinton wanted, so you had a classic Schedule C, Civil Service conflict, which I had never seen at the State Department. That was why I said I came into the job fairly naïve because at State Department if you are a Schedule C senior advisor you have a lot of clout. Even when you have no direct clout nobody wants to get on your wrong side. And over there it did not seem to matter at all- Like I said, the game was keep away, keep you from getting into the issues, nothing else.

Q: Well I mean, you know, for Richardson, look at this because I hope people who study government will read this account. I would think that, first place, one knows how difficult within our- within the State Department how difficult it is to fire or move somebody who's Civil Service. Well I would think when you've got a place that's completely that, Civil Service, where things have been set up, I suppose each bureau, whatever you call it, probably has its own ties with certain committee in Congress and all, that they could set up barriers that were insurmountable.

MALLOY: Yes. Now, over time the Pollyanna approach and the, you know, oh everything's going swimmingly approach tends to undermine your credibility on the Hill. I found that out in my early meetings up on the Hill with key staffers. Senator Domenici of New Mexico, of course, was very interested in these programs because-

Q: Senator Domenici.

MALLOY: Right. Los Alamos was part of his district. Ellen Tauscher, who is now, of course, Undersecretary for Arms Control at the State Department, at that time represented part of California that included the major national labs. These people had very, very strong interest in these programs and these are big money programs, I mean, huge amounts of money involved in this. So it was important to keep the Hill well briefed. While Secretary Richardson was really quite adept at that because he was not getting real time information from these DOE constituent elements he could easily get caught short, as happened with the flap over security at the national labs. I felt it was terribly unfair to hold him personally accountable, and this all came up again in his most recent run for President, as if he was not a good manager. You know, there was no way, no institutional way, that he could possibly have been accountable for that.
So my first few months were spent in figuring this all out and doing a draft report. The Secretary wanted me to hand over my draft report but I had given it to the assistant secretary where I was working and wanted her comments first. I had not heard back from her over the course of a couple weeks and the Secretary's senior assistant got in touch with me and said he wanted the draft of my report. Just a draft, not a final text. I said I could not get it to him because I had not gotten feedback from the assistant secretary. I was told that was the wrong answer so I marked it all as very, very rough draft and gave it to him and he really appreciated it. The assistant secretary, however, did not and not long after that I was moved out of that bureau and moved up to the Secretary's office. I then was part of his immediate office because clearly it was not working with me being down there in the bureau. And actually that worked better for me; it was much more realistic.

I took responsibility for all of his interactions with leaders from former Soviet Union, his travel to that region, but one of the key things he wanted from me was making sure that he understood what was going on in the interagency process. He wanted me to attend any relevant meetings so that I could give him heads up of what was coming. I spent a lot of time in those meetings. So actually it worked better after I moved out of the bureau and into his direct office but it was a very tough period. A lot of china got broken on both sides. So again, in hindsight, I probably could have handled things differently.

Q: Well in a way you can- was it really a problem that it wasn't- I mean, somebody had to take the place and completely redo it.

MALLOY: And nobody was willing to do that. The most fundamental changes had to be made, even just to come in compliance with law, and the thing is the Department of Energy technical experts who got involved in this work really put their heart and souls in it. It was almost as if they were on a mission, not a religious mission but they really believed in what they were doing. And that was good. However, when you have that kind of intensive devotion but you have no knowledge of the history or the context in which you were working you can easily be misused.

For instance, under the Nuclear Cities Initiative the goal was to keep individual scientists who possessed this knowledge from walking off and working for the wrong people. In the mind of many of these DOE folks the goal was- the way to anchor them - was to keep these former Soviet nuclear research entities vibrant. It was a very different thing. Congress never appropriated money for us to sustain the research entities that are developing Russian weapons of the future. I would ask questions; when they would show me a timeline for activities under the Nuclear Cities Initiative that would go on for 20, 30 years in the future and at the same time tell me the average life expectancy of these scientists of concern was 60 years or less, I would ask the stupid question, "why we need to be planning for 25, 30 years if by your calculations everybody of concern is going to die in the next 10 years." They thought that was a stupid question because they believed that DOE had to prepare the next generation of Russian nuclear scientists to run these institutes in a safe manner. I did not believe that it was in the U.S. Government's interest to make sure that these facilities were run indefinitely.

I have a philosophical difference on that. Looking at Russia, a country with tremendous natural resources and, as indeed we have seen the last few years, a potential to earn all sorts of money from the sale of those resources, they should be responsible for those activities. Going back to my discussion of the strategic partnership with Romania, my approach was "you name the problem, you tell me what you're putting in to it and I'll see where I can fill in the gap." These DOE programs with Russia had been constructed we were simply taking responsibility for everything.

Also, the fact that there was no attempt to get the Russians to put into this cooperative program what they could, and they had no money; at this point in time they could not pay salaries or pensions so I was not talking about money. For example, when we would go visit these nuclear cities there were no hotels; we ended up staying in a guest house, pretty primitive, Spartan, run by the institute. In order to provide hard currency money to these institutes the DOE technical people had agreed to pay hotel prices, in some cases on a par with a hotel in Paris, to stay in these guest houses. My approach would have been to say we could certainly pay $10 or $15 a day to cover the direct costs to house us there but that the use of these guest houses should have been a contribution from the institute.

Q: Yes.

MALLOY: It was something they could easily have done. So again, I was rocking the boat and saying "you want to be nice, you bonded with your ex-Soviet fellow scientists but is that really what Congress had in mind when they appropriated that money?"

Another example was part of the reason adverse materials were not being protected properly was that it is extremely cold in the winter in this part of the world. The Russian government did not have enough money to outfit the guards with proper boots and coats and so they were not getting out every 20 minutes to walk the perimeter. They were sitting indoors to avoid the freezing cold. So one of the programs we ran was to provide funding for outfitting these guards, which I did not debate but I did ask where they procured these coats and boots? And I was told that the Russians bought them in the

normal way, however they normally get these things. I pointed out that the "normal" way to procure such items was to purchase them from factories run in concentration camps and prisons. Under U.S. law we have to be really careful that we are not using prison labor and we are not funding it. So I asked if they had done that due diligence? And they looked at me like I was crazy. They subsequently came back to me and said they had checked and that no prison or camp labor was being used. But my point was they were operating without the context and they set a number of precedents that we could never then get away from. We could never go back and say "okay, you really should be contributing housing as your contribution." And the cost of these programs was enormous. Hill staffers said to me that DOE was always asking for new programs, but never ever ending any, never acknowledging that any program did not meet its mark or had outlived its usefulness. They wanted to know what was the deal?

Bill Richardson really understood, as a former congressman, he knew what needed to be done to work the Hill and also knew what needed to be done to convince the White House to invest in these programs but even he could not break through that barrier with the constituent elements at DOE. And to this day that same problem continues.

Q: Did you have any feel for the contractor culture?

MALLOY: Well the contractors, I had a lot of admiration for them. They had good skills, they worked hard but they were not in a position to criticize DOE nor could they take a lead in trying to change the culture of the place. And so what I was trying to do was to identify people who were willing to stick their neck out and change the culture, and quite often contractors were the people I wanted but the because they were contractors I could not put them in that position. So that was a little frustrating.

I set up a number of things, for instance a group that would include everybody involved in programs dealing with Russia to meet once a month to share information with each other. I mean, a very basic thing we do at the State Department was not happening there. So I tried to prevent DOE staff from bureaus outside of NNSA from showing up in Moscow at the DOE office and asking for assistance and nobody knew what they were doing there. Or even within NNSA I wanted to make sure the people working on second line of defense knew what the material protection control and analysis staff were doing in their respective Russia programs. I tried to get more EEO and diversity work going forward. One woman came to me and well, I don't want to get into specifics because she could be identified but people of color were being told that they could not work there because nobody wanted people of color sitting in a visible position. I mean, this was the 1990s, almost 2000 in Washington; like I said, I was astounded that anybody in Washington, D.C. could get away with saying things like that. They really, really needed to work on that aspect, they needed to create an environment where people felt comfortable talking about these issues and then start to deal with them. They were not even comfortable talking about them.

Q: I mean, were you sort of an oddball, one, State Department, two, at the rank of ambassador and three, were a woman. I take it women were not- I mean, the gender issue wasn't a major one or was it?

MALLOY: It was within the Civil Service but the Schedule C assistant secretary was female and a lot of these Schedule C senior advisors, myself included, were female. In the front office there was no problem with that at all but if you were not really a Southern boy you were not going anywhere in the NNSA environment. Now, the new assistant secretary tried to change that. She set up intern programs with Monterey Institute for Non-Proliferation, started bringing in students and a number of those people ended up eventually taking jobs there, which is exactly what she wanted to happen. So she was trying to address it in a quiet way. I felt they needed to be more aggressive, to get ahead of a possible lawsuit. But she could not simply remove senior people which would have been the answer for me. It was really difficult. She felt that she was being criticized personally for something she had inherited and did not have direct power to change, and that was not the case but- it was very, very tough.

It was also tough dealing with the Russians but I had had at that point 20 plus years of dealing with the Russians as a female. It was not a problem for me. When people used to ask me about that I would say well actually it was easier than being a female in Washington so it was not a problem.

Q: Easier than what?

MALLOY: Being in Washington.

Q: Yes, oh yes.

MALLOY: There were so many women; I remember we went on a trip with Secretary Richardson to Russia and we went east to Vladivostok to visit a storage site that had been constructed and secured with DOE funds. A tsunami hit and we just got soaked to the skin so there was a picture of the senior advisors, of us four women standing there by the side of the road just being blown away by this tsunami. So many of the senior advisors were women. I do not know why but it just worked out that way.

I think you will find the nonproliferation world attracted women a long time ago and so there are a lot of senior women. Rose Gottemoeller, who has just come back into the State Department where she is running the new arms control talks with the Russians, has spent her entire career in nonproliferation. You have got Dr. Laura Holgate, who was involved with us at DOE who is now working for the huge Ted Turner funded nonproliferation effort here in town. A lot of these women, Joan Rohlfing for example, went on to do even greater things. But yes, it was a tough situation there. It took a lot of diplomacy.

Q: Yes well diplomacy usually- Washington diplomacy is a great challenge for most of us in the trade. Overseas we all know our role and we don't have to- I mean, we go through-

I mean, the game plan has been drawn out by the French and the Germans back in the 14th century.

MALLOY: Yes. My time would be divided between the travel and we spent a lot of time on the road in Russia, Kazakhstan, Ukraine. I would travel with both Secretary Richardson and with his number three, Dr. Ernie Moniz, who was conducting a series of discussions with the Russians. We went to the Russian closed nuclear cities which required huge amount-

Q: When you say "nuclear cities," there are two definitions. Can you explain what a nuclear city is?

MALLOY: Well by nuclear cities I mean the cities that were closed to all foreigners during the period of the Soviet Union and they were still highly restricted because they have nuclear weapons research labs or other facilities there, such as Sarov, Snezhinsk, places like that. And then we also would travel to cities where there were major nuclear power plants. Out in Siberia some of these power plants provided the sole electricity and heat for these cities. U.S. Government had concerns about them, both from their operating safety and also because they were producing plutonium as a byproduct that could be used for weapons. So why spend all this money dismantling and securing this material if you are producing more of it? So there were all these discussions because the Russian government did not have the means to replace these nuclear power plants with fossil fuel plants or something else.

So Ernie Moniz would do the initial heavy lifting and the to finalize the agreement we would try to set up travel by the Secretary to meet with the MinAtom Minister Adamov, who ran the counterpart organization. We also supported a lot of congressional delegation travel. Ellen Tauscher was be over there, Domenici, Lugar, a number of different congressmen or senators would want to go and see these projects in person and so there was a huge amount of heavy lifting to get them- to get the Russians to give them access to these controlled sites.

We spent a lot of time on Y2K. This period, 1999, everybody was concerned about what would happen when the year 2000 rolled over and whether all these computers and software programs were ready to deal with that. We provided the Russians quite a lot of money for Y2K activities, improvements, to set up control centers but the reality was that most of their nuclear power plants were not run on the kinds of systems that would be affected by Y2K. As a matter of fact we had a live televideo conference on December 31 as Y2K started rolling across Russia, through the different time zones in Europe, with the media on both sides observing. Adamov in Moscow and Secretary Richardson in Washington watched as each nuclear power plant came online. Of course everybody was focused on Russia; well it turned out the only problem was one at a nuclear power plant in the United States, which was a little embarrassing. It was not a major problem, just a little glitch, but still embarrassing.

The other thing that I spent a lot of time on was working with the many nongovernmental organizations, think tanks, universities heavily involved in the nonproliferation agenda. Much of the best thinking and commentary on these subjects was going on outside the U.S. Government. And you see a pretty steady bouncing back and forth between these NGO and university experts and Schedule C positions so they were in one presidential administration, out in another. Rose Gottemoeller was in the Clinton Administration and then working for Carnegie in the Bush Administration and now she is back in the Obama Administration. So keeping up to date on the thinking of all these experts, meeting with a lot of people, reading their works and participating in some of the conferences organized by these NGOs took up my time but in a productive way. I know I worked with Graham Allison and Matt Bunn on a CSIS publication and a number of others and so it was very time consuming; you do not end up with much to show for it but it allows you to make sure the Secretary's not caught short by a conclusion that would be very difficult for him to deal with.

MALLOY: One issue that ran throughout the whole time I was there, of course, was Iran. And the Russians- the Russians have a huge nuclear power industry, just like the French, and the United States, they have a civil nuclear power industry, and an enormous number of jobs rely on developing new technology, marketing that technology, and building plants around the world. And, of course, Russia had contracts to build a civilian nuclear power plant in Iran at Bushehr, which they hoped would expand to several other plants as the first one came online. U.S. Government position was that that would give Iran the capacity to develop nuclear weapons, either from the knowledge they would gain from running that nuclear power plant or from reprocessing the highly enriched uranium fuel and using this material to make nuclear weapons. So there was a constant dialogue with the Russians to convince them that it was not in their interests to build Bushehr and Bill Richardson gave it his all but the reality was that that was a sacred cow that was- they were just not going to step away from that contract. There was too much economic involvement on their part and indeed it continues to be an issue even today. We spent lots and lots of time on that but that-

Q: How did you- I mean, did you get involved with the Russians on this?

MALLOY: Oh yes.

Q: How did you find their reaction and all? This is a period of pretty good feeling between the United States and Russia, wasn't it?

MALLOY: I would not say that. It was a period when Russia felt beleaguered. They were broke, they could not pay salaries, they could not pay social benefits, people were begging on the streets; it was a period of tremendous dislocation and hardship. And at the same time the U.S. Government was insisting on preconditions for this assistance and the preconditions were related to our need for access. In other words, if we were going to give them money to secure nuclear material at institute X, at some point we had to go in and view it to make sure the work we had funded was actually done. We also were insisting on release from liability, even to an extreme. The U.S. Government felt it should

be held harmless if something terrible came out of this cooperative work. And then there were issues of taxation. We did not want taxes to be levied, either directly on the assistance or indirectly. So for instance, if we paid a nuclear scientist for a project completed under Nuclear Cities Initiative and he then put that money in his Russian bank account it was immediately seized because he was in arrears in taxes or they would try to take income tax out of the money the U.S. Government funded for his work and seize it. So these three issues stymied these projects and led to a good deal of animosity in our bilateral discussions.

And going back to what I said earlier about DOE technical experts in the beginning not being aggressive enough in trying to protect the equities of the United States, in other words setting a pattern of seeming to be willing to pay anything led the Russians to believe that it was pay per view, that our goal was really to see their secret technologies and that we had nefarious purposes, that we would do anything to get in there, rather than believing that our concern was that this technology and materials not get in the wrong hands, that it would be dangerous for us, the national security of the United States. So I have to say most of our meetings with Minister Adamov were at best icily contemptuous and some of them screaming matches and not particularly warm with the people who worked under him. I cannot speak for other parts of the Russian government but our relations were almost exclusively with Minatom, as we called it. And it was in this early period we began to have real concerns about Adamov in several ways. There were actually even some bizarre newspaper accounts about him having some business enterprise in the United States and having U.S. drivers licenses. We kept asking about these allegations, which he totally denied, and several years later he actually was charged with a crime in the United States for embezzling, I believe, portions of these funds and the U.S. Government has been trying for years to get him extradited back to the United States but with no success. So there was fire where there was smoke but at the time we could not pinpoint this. But he was a very, very tough interlocutor over there.

The other thing that they were extremely interested in was how to use their strengths, which was tremendous technical knowledge. I mean, these people over there were just great in computing and physics, some of the greatest minds in the world, and then how to use their weaknesses, which was they had all sorts of poorly managed Cold War waste lying about. They came up with an idea that they would make a lot of money if they were a geologic depository for spent nuclear materials. If you follow the U.S. Government's efforts to build a repository for spent or used nuclear fuel in a mountain out West and all the environmental concerns and battles and scientific expertise of how many thousands of years this stuff would be there and would it be vulnerable, you could see that it would be attractive to many countries rather than disposing of spent fuel in their own country to have some place where you could just go and bury it. So the Russians figured they could use their technical expertise and their vast open, unpopulated areas to create an international geologic depository. And that would be fine but countries that have U.S. origin fuel cannot transfer it to a third country without the permission of the U.S. Government. In other words if Taiwan or Japan wanted to use this geologic depository we would require that the U.S. Government sign an agreement allowing this material to

be moved to a third country. So this was a subject of great discussion the entire two years that I was there at DOE.

If you are concerned about the way the Russians are handling the spent fuel that they generate themselves it does not make a whole lot of sense to start dumping all the rest of the world's spent fuel material there. If you are trying to find a revenue flow to help them come up with the money to do the right thing then maybe that does make sense. If you are finding carrots and sticks maybe that does make sense. So it was an idea that had been bouncing around for a number of years and I would not be entirely surprised to see whatever comes out of the Obama Administration somewhat similar to this because it is something the Russians really, really want to do. But it will take great debate on the Hill before anybody agrees to that.

We used to call Russia the most developed underdeveloped country in the world and so you have these little sparks of technical expertise, whether it was advanced heart surgery or nuclear physics, it was the implementation and the sustainability that would be a problem, and this would be a perfect example of that.

Is this a good time to take a break?

Q: Alright, sure, why don't we take a break now and we'll pick this up- where shall we pick it up?

MALLOY: Well, we could pick it up on some of the Secretary's efforts, his meetings, his travel, what he was trying to do with some of these different projects.

Q: Okay, we'll pick it up then. You make notes—

Today is the 5th of August, 2009, with Eileen Malloy. Eileen, I wanted to ask you a question, it just came up; I was talking to a colleague who was doing a table of contents or- an officer, I'm not sure if you ever met her, Shirley Ruedy

MALLOY: Yes.

Q: She's a, I think served in Moscow. Anyway, she comes - the man I'm talking to is 91 years old but he represents a generation and he comes across as an extremely competent officer, not at all pushy, and I want to ask, because I've been in this business long enough, that even I at my advanced age and having developed a certain amount of sensitivity, and I never heard Dick Holbrooke as being called "pushy." He's called aggressive. Can you tell me, I mean, was this ever- was this something you were aware of, that, you know, you had to, in dealing with your fellow officers or others have to avoid being say as aggressive as a male? I mean, you had to sort of hold in your talent or not?

MALLOY: Oh yes. I mean, even today I still view IERs as part of the review panel. IERs are Inspector Evaluation Reports; it is the equivalent of employee evaluation report, and even in the last batch, a couple of months ago, that I reviewed I had to point this out, that

the terms used to describe female officers and male officers were completely different. The hidden baggage that each of these words carries varies between the sexes. So you get a report that describes two officers equally talented. The male will be described as a leader and the female will be described as a manager, a good manager. And you could cull through it and the word “leader” or “leadership” does not come up anywhere in the text, even though the activities or the results they are describing are identical. This is a problem not only that women have but also minorities. We have what we call the “gee whiz” factor, like "Officer So and So can actually write." Gee whiz, you know. The whole idea, though, of women getting the job done, women still have to be more diplomatic and more nuanced than men. And that is the same whether they are working-supervising females or males. It is not just a-

Q: There seems to be a certain amount of positives to what you’re saying, it’s arguable, but saying they’re managers and getting it done is not, you know, being a manager is getting the job done without ruffling feathers and all that.

MALLOY: Being a leader is inspiring others to do their best and I have known many women who are really good at that but it was characterized as managing. Women also, I think, are more likely to be deferential; they are less likely to put their hand up at a meeting and shout out an out of the box idea. And then some man will do it, and the woman who actually thought of it first will end up volunteering to help.

Q: This is one reason, one solid argument to single sex schools. Women tend, you know, it’s probably, I’m sure it’s cultural but anyway there you are.

Well that’s an aside.

MALLOY: But that has not changed. But you need a certain level of brutal aggressiveness to rise to the top in the Foreign Service.

Q: Well it is a competitive service.

MALLOY: Extremely competitive.

Q; You know, I mean, we’re rather polite; I stress the rather rather than just the plain positive. I mean, you keep your eye on your number.

MALLOY: And there are people who know that from day one and every relationship that they establish is one that they think will further their career. And then there is the average Foreign Service officer who believes that if he or she does a real good job and when it is time to compete for the senior grades he or she will start networking, but finds out the sad reality that only those who let that ultimate goal of success guide their every movement, every relationship are the ones who rise to the top. So it is a fundamental decision of how you want to live your life.

Q: Yes. Okay, well back to the case at hand. You're at the Department of Energy; we're going to talk about the secretary- who was the secretary?

MALLOY: Bill Richardson.

Q: And who is a figure who continues to have political repercussions today. I mean- But how he traveled, how he operated from your perspective and some of the issues you were dealing with.

MALLOY: Yes, I spent a lot of time over the last few weeks trying to make sense of my two years there or to come up with some themes and it was very, very difficult because the whole two years seemed to be a streak of flailing from one thing to the next.

Bill Richardson, as I think we discussed last time, brought me over as a reimbursable detail, meaning Department of Energy was paying Department of State my salary for my services. And he did that because he wanted somebody who could make sense of all this for him. He had a deep, and still does, interest in foreign affairs, obviously having been our permanent rep at the UN and had been very involved, even when he was in the U.S. Congress in foreign affairs, and he did not want to let that go. He also was driven to have some kind of legacy or be part of the legacy for President Clinton, wanted to actually move ahead and have an impact. And thirdly, he actually got nonproliferation; he understood that this was a huge threat to the security of the United States and our allies if it was not properly controlled. So he was motivated but from his level in the front office he did not have any channel of effective control over the actual operation. So that was what he wanted me to do, to alert him as to when he needed to reach down and make something happen or stop something happening.

Q: I would think, as you describe the fractured system in the Department of Energy, that we have to find people who are overly- they were interested in the nuts and bolts of what they were doing and not seeing something like nonproliferation, which, you know, to a Foreign Service officer is an overriding issue.

MALLOY: Well the Department of Energy people working on these programs came predominantly from a technical background at the National Labs or the U.S. weapon program so they understood it as well. There was no lack of motivation, commitment or interest on their part. What they did not have was a background in the bilateral relationship or the multilateral work so they tended to come at it as a technical issue. And they also, being scientists, came at it in a very logical way and unfortunately the drivers on the Russian side were not logic, not even self-interest for the whole country of Russia but rather some very parochial interests. So my job was helping them understand each other.

For instance, helping them understand that the behavior of some of the Ministry of Atomic Energy officials was standard Soviet, that was the way they always did their work. For instance, they would do the old "pound on the table and yell" and get up in the middle of negotiations and say "this is all pointless" and walk out of the room. And the

DOE people would immediately think, "oh dear, we've offended them, we have to do something, we have to make a concession." It was my job to say "no, you just sit here and wait and they will come back." They were not offended, this was kabuki, this was theatre, you know. But over the years the DOE people had instantly caved in the face of these performances and so our programs were a bit out of synch. In one instance one of the high level Ministry of Atomic Energy officials was actually going on a tirade and we had an interpreter interpreting it- a Russian interpreter, local hire, into English for the DOE team. I was sitting there and I realized, because I speak Russian, that she was ahead of him. She was actually translating into English things he had not yet said and he was doing his angry show and I caught his eye, because he, of course, knew the mistake she had made because he spoke English. She had translated this speech of his so many times and she was so bored that she got ahead of him. He started laughing and I started laughing and the rest of the DOE team had no idea what was going on. It was all show. So what they were missing was somebody who had that level of understanding of how complex and torturous it could be to deal with the Russians on negotiations. The work was very, very tough, and that was why Bill Richardson wanted my help. He did not want to get down into the minutiae; that was what he called "chicken shit." It got to a point where, in our conversations our Russian interlocutors would be rattling on in Russian and then start saying "chicken shit" because they adopted it from Bill Richardson. And that was their way of saying, "oh this is all below our political level, let the technical people deal with it." But that was also their way- For instance, Iran was one subject that they felt should just be handled by the technicians and these talks were very politically and substantively important issues, they were not just technical issues.

Well what I tried to do was make a list of the challenges that we had with them, and maybe I'll just run through that and then the themes that kept coming up. And Secretary Richardson got involved in all of these at one stage or another.

Q: Be sure to show what your role was in these.

MALLOY: Yes. One of the biggest challenges in helping Russia on these nonproliferation cooperative programs was the issue of taxation. The U.S. Government needed the Russians to relieve us of taxation. The Russians were never able to do that completely. They did it when the U.S. Government sent a shipment of wheat to Russia -- that they would relieve of taxation. They would still want to charge landing fees for the planes that were delivering it but they claimed that was not taxation. But where we ran into trouble was with the secondary issues, such as Nuclear Cities Initiative. This was a program to provide employment to scientists who were highly skilled in technology relevant to weapons of mass destruction so that they would not be forced to go and sell their services to Iran and North Korea. The Russian government wanted to tax those payments because in their mind that was a personal income float to these scientists and therefore the scientists should pay income tax on it. There was a little bit of logic there but from our perspective it was a direct assistance program and we could not be paying assistance funds which would then be siphoned off as taxes. So we had endless discussions on that and it was not only important for the U.S. programs but there were many European and Japanese entities willing to become involved in these activities if

they could get protection from taxes as well as the next issue, liability. And so they were waiting behind us and they all looked to the U.S. Government as the single largest donor to break this logjam so they would work through us. So it was a very important issue.

Liability, the toughest issue. We tended to run most of the programs under the CTR's, which is the Cooperative Threat Reduction Agreement, section on liability. But as we came up with new programs such as the Nuclear Cities Initiative those were not in existence as of the time the CTR agreement had been signed with the Russians so they claimed these new activities were not covered. The U.S. Government typically takes a very extreme position on liability. It wants to be released of liability for both official government acts and acts by people employed by the U.S. Government, like contractors, both unintentional and intentional acts. So, in effect, if a U.S. Government contractor intentionally sabotaged a Russian nuclear power plant the U.S. Government wanted to be held harmless. The Russians refused to accept this interpretation.

Q: It sounds, I have to say, logical to me.

MALLOY: Yes, and that was why we never came to closure on this issue but U.S. taxpayers and the U.S. Congress still take a very hard line position on this subject. It came up many, many years later, which we will get to, when I was working on Hurricane Katrina. The Government of the State of Louisiana refused to waive liability for countries that wanted to come in and help identify dead bodies from Hurricane Katrina. I mean, the United States is so litigious and has such an extreme position on this when it is something inside the United States and we have the complete reversal outside the United States. So these two issues effectively stymied a lot of our work.

Q: Well on- Who were the lawyers? I've talked in many of my interviews talked to them- the Pentagon lawyers turned out to be the hardest people to negotiate for people negotiating base treaties and all that. Who were your lawyers that gave you a problem?

MALLOY: This would be- It was not just the lawyers. Obviously the lawyers at the State Department played a role in this but this was a U.S. Government policy position run all the way up to the NSC. And so our job was each time we went over there, whether I was escorting Secretary Richardson or the number three at Department of Energy, Dr. Ernie Moniz, who did a lot of the legwork, every single session we would be trying to push the envelope on moving ahead because the CTR agreement was going to expire and then we would be in deep kimchi. The question was do you extend the CTR agreement and cover many of the programs but not all of them, and if so, what do we do with the programs that started after the CTR agreement was signed and what happens to all these new programs the Russians were very interested in. Submarine dismantlement is one I will talk about. But we- until we solved the taxation and liability issues we could not move forward. So it was endless, endless pushing at the ministry of atomic energy level and they kept saying, "you know, this is beyond our grade; we can't resolve this." So it would go back to the Gore-Chernomyrdin Commission but it never got solved.

Q: This is both taxation and liability?

MALLOY: And liability.

Q: So during your time these were-

MALLOY: Never got solved but there were lots of little fixes but never got solved on the big one.

Q: Well while we're on those two, did that just stop everything?

MALLOY: At one point, and I do not remember the details clearly, but at one point I think we reached a point with the Comprehensive Threat Reduction agreement, CTR, with the Russians that they had to start giving notice to contractors to cease work and we had to put that on the table, that if we did not find some fix we would have to start pulling this back. And I think the Russians thought we were just threatening but this was actually written into the contract and law and it was a matter of funding. Out of that we got a limited extension of the CTR to give us more time.

Q: Well was there a point where you could sort of go to your Russian counterpart and say look, you know, I understand we're all taking stands but this thing really controls us and so- I me an, we're not playing games?

MALLOY: And we did. And so we would have to calibrate it. We would start saying that at the assistant secretary level in Rose Gottemoeller's talks, and if we were not getting anywhere we would ratchet it up to Dr. Moniz's level and if he could not physicist to a physicist get through to them we would have to put it on the agenda for Secretary Richardson. And he and Minister Adamov had some heated conversations on this subject but at the end of the day the Russians were driven by pragmatism only at the last minute. So it was only when they could see that we were actually going to send cease work notices, and more- CTR is more DOD than Department of Energy because it covers more of the military work. The division between Department of Defense and Energy is Department of Defense dismantles actual weapons. They were the ones who destroyed the nuclear submarines that had the intercontinental missiles on them, and they were the ones who would take an actual atomic weapon and break it apart. Department of Energy was responsible for the material that came out of that so the uranium and plutonium that were removed would then be subject to Department of Energy's cooperative programs. So CTR started out mainly working on weapons but it also covered a lot of the work that DOE had to do.

The third big issue was access. The problem was that the Russians were very, very paranoid about U.S. demands to actually go in and see the sites where we were going to pay to have the material protected and to return to see that the work had been done. They called it "pay per view"; they thought we were really just paying to get in to their highly sensitive locations. So early on DOE's approach was "well why don't we start with the less sensitive sites and raise their comfort level," so they started putting money into

projects such as securing the fuel of nuclear icebreakers but not part of the military industrial complex.

Q: There were, you know, I think there was a ship called "Lenin," if I recall, which was the first nuclear icebreaker and all that you know, for the North Passage.

MALLOY: Yes. These were based in Murmansk; I ended up making multiple visits up there. And you know, the logic, this is an example of what I call DOE having a logic based train that did not necessarily work with the Russians. So here we were now five, seven years into this process and the U.S. Congress calculates that we have spent some huge sum of money safeguarding material but the material of greatest interest to the U.S. in terms of proliferation danger remained untouched, and it was untouched because of this debate over access. The Russians wanted us to trust them. They wanted to describe the problem to DOE and have DOE give them the money needed to fix the problem, to build the safeguards. And we said, "no, I'm sorry but if our money is spent on it at some point a GAO team will want to go look at it and you have to give them access." They could not accept that. So we had to constantly- my entire two years was a non-stop dialog on access.

Q: By the way, was there a- reserve that because everything was they do the same thing to us; did we have a problem?

MALLOY: And that was something they raised. They did not do the same for us. In other words we were not asking their help to safeguard material in the United States. They did not have access to our sensitive nuclear sites with the exception of the site in Utah covered under the INF Treaty. So it was a one-sided thing. And that was what I meant, it was their paranoia; they thought we were taking advantage of them because they were financially strapped. So we had these conflicting approaches.

The other big issue was sustainability. When the Soviet Union broke up, whatever material was at whatever site spread all across the former Soviet Union stayed there. And we were spending a lot of money helping them safeguard little pockets of nuclear material located all over the former Soviet Union. Even at sites that had some protection, there might be six or seven buildings on this site amongst which this material was dispersed. They were trying to protect each one of these buildings. This in the long run was not sustainable and so we were trying to get them into a program of consolidating material at specific protected sites.

Q: Well when you're dealing on this thing, what about a Kazak or a Tajik or what have you representative? I mean-

MALLOY: It was a big part of it. In terms of the weapons we were all very fortunate that the Kazaks, the Ukrainians and the Belorussians agreed to ship all of the actual nuclear weapons back to Russia for disposal. The other things that were important to us were the delivery systems such as the bombers in Ukraine - they were destroyed on site. The material that came out of those bombs went into a stream of material that was actually

being sold to the USEC Energy Corporation, which was a provider of uranium for power plants in the United States. The Kazaks, the Ukrainians, and the Belorussians were saying, "wait a minute. We were nice guys and we agreed to consolidate all this and now the Russians are being paid for the material." So that was an ongoing debate. The other thing that happened was there were pockets of material left in these other countries, Kazakhstan, Uzbekistan, all over the place, and one of the cooperative programs that we worked on during the time I was there at DOE was reaching agreement that the Russians would go and repatriate that material back to Russia. If one newly independent state said they no longer wanted responsibility for this material, the Russians could repatriate it. It made sense to have Russian technical people who knew the set up, because this was all Russian origin material, to go pack it up. The U.S. Government would help with shipping logistics. There were several instances which became public after the fact. Obviously you would not want to advertise that we worked on it. But we had to provide the funding; the Russians would not do this on their own. One case was the material at Vinca, which was a nuclear research reactor in Belgrade. When I first got to DOE the U.S. Government was going to take military action in Serbia and the great concern was that we not inadvertently hit that reactor because of the environmental and life safety issues. Subsequently, we cooperated with the Russians to go in and take a look at how to protect that material and repatriate it back to Moscow.

So we did a lot of that. But each project had to be negotiated and we had to provide the funding.

Q: Well did you find as this type of negotiation went along that you had to act as the monitor to understanding the Russian attitude and all to make sure that we weren't giving away something that a technician might not understand but from a sort of policy point of view there might be bigger repercussions or we're not dealing with a benevolent force or not or how did you work this?

MALLOY: Well it was a huge problem and it was a tradition all the way back to when I was working on the INF treaties so it would have been '88 to '90; the DOE people were outliers. They would come in, in theory, under chief of mission control and be sponsored by the embassy's science section but pretty much they were off on their own doing their own thing. Every once in a while they would need help and they would come to the embassy and it would be a horrific mess.

One instance was at some point we had a lot of scientific cooperative agreements that go way back to the late '70s, early '80s with the Soviet Union. One of them involved research on extreme temperatures. The U.S. Government had sent over some enormous piece of equipment and there was a cooperative program where the Soviet scientists were operating it, doing research, and then sharing the data with their U.S. counterparts. This program was coming to an end; the Soviet side was no longer willing to pay their share of maintaining this piece of equipment, which I believe ran at extreme cold temperatures, if I remember correctly. So basically the Soviets said, "here's your equipment way, way out of Moscow in some remote area and we're just going to pull the plug if you don't get it out of here." What they were hoping was that we would abandon it and it would be theirs.

So Department of Energy, the owner of this piece of equipment, sent somebody out into the hinterlands, without the knowledge of the embassy, to go and retrieve this massive piece of equipment. It was so big that to bring it down streets they had to take down all the power lines. So rather than alert the embassy to what he was doing, this person showed up, when he had this truck driving down the street towards the embassy. At that point he came to us in the arms control section and said, "okay, you have to help me get it back to the United States." There was no place to store it and, I mean, this thing was huge, enormous and very delicate. And I do not know why the science section did not get this little baby but it ended up in my lap and I think it was because my section had the best contacts with the Soviet military and also the transportation authorities at the airport. We were constantly bringing in these huge Air Force planes and I think initially they were hoping it could go out on a U.S. Air Force plane. But this thing was far bigger than any plane the United States Government had. But there was one Soviet cargo plane that could actually carry this. We knew that the Soviets really, really, really wanted to fly this huge plane into Washington, D.C. for a variety of nefarious reasons but also just to show it off. They had not been able to get permission from the U.S. government to land it in the Washington area; they could only land it out in Utah at their portal monitoring site. We decided to offer them a deal -- if they would transport this piece of DOE equipment to Washington we would, on a one time basis, let them land there and then they fly on to their portal monitoring site. So here we, in very short time, came up with this brilliant idea that we could transport this thing at no cost to the U.S. Government, the only cost being letting them make a landing in Washington, DC. When I laid this all out to the DOE employee in Moscow all of a sudden I find out that, unbeknownst to me, in this 24 hour period that I had to work this proposal, the DOE guy has gone out and has chartered this very same plane and has agreed to pay them $50,000 to ship this piece of equipment. He was very proud of himself. So he cost the U.S. Government $50,000 when I had just reached an agreement to do it for free, because I had something they wanted.

Q: Yes.

MALLOY: And so he thought he was being logical and pragmatic but DOE was not coordinating. So now if you go forward all these years when I was at DOE there were literally thousands of DOE employees on conferences and all these technical visits at any one moment interacting with Russians. There was no way to police all of this or to make sure that they were not going a little too far in sharing information. And that was a huge concern to our embassy. There were even people coming in and making calls on ministers in the Russian government without telling our Ambassador or without giving a back brief to the embassy science officers who were supposedly responsible for insuring coordination. So it was a huge problem.

Q: Were there other departments doing the same thing? I can think of Agriculture particularly.

MALLOY: No, the Foreign Agricultural Service has always been well established at Embassy Moscow and-

Q: And they have their own Foreign Service which is integrated essentially into our Foreign Service.

MALLOY: And they have a cadre of Russian speakers who are absolutely brilliant.

Not Commerce or Agriculture, but some of the military programs outside of the Defense attachés office would occasionally do something like that. In the early days NASA, which has huge cooperative agreements, as well but they were all effectively ratcheted in because they had a person at the embassy who would be held responsible. The difficulty was DOE had a very small office at Embassy Moscow. They saw their role as facilitating the travel and coordination just of a small segment of DOE, the ones that funded them. This was the NNSA, National Nuclear Security folks, basically. And so one of the fixes, and I can talk about this a little later, was getting more of a policy person out there to represent DOE to bring some order to all of this. And when we did that that person ended up getting stomped all over by various DOE types. So I was not able to insure that this all went smoothly; all I could be was eyes and ears for the Secretary when something got terrifically out of whack and we needed to go smooth things over with the embassy or with the part of the State Department that was very upset by this. One of the players over there, Debra Kagan, took a personal role in approving cables requesting country clearance for each and every DOE person because she was so upset with the work going on, the uncoordinated work going on over there. And so I ended up having to negotiate with Debra to break things loose quite often. So it was crazy.

But sustainability, the concern that I had and what I tried to get the Secretary to focus on was what would happen after our cooperative programs ended. We had to lead a structure that the Russians could afford to carry on themselves. I did not see a strategic approach by the Department of Energy to this question; it was more just a short term or "let's put something attractive on the table and get them to nibble" kind of approach.

Q: Well were we looking at, I mean, Russia was going through a bad time but were we looking beyond that and saying look, this is a very difficult time with the collapse of the system but it's going to come back, and so did we make projections or plans to say okay, this is for the short term but for the long term they should be able to do this or could we do that?

MALLOY: Not at Department of Energy. You would find that kind of thinking at the NSC or at the State Department but DOE would on one hand say, "we're just playing a technical role here, and you give us the task we will figure out how to accomplish it." But they did not understand the impact of some of their activities and the U.S. Congress or some of the NGOs would say "all you're doing is relieving the Russian government of the obligation to spend its own money on these functions so that it can spend its money on other things." For instance, during this time period the Russians announced that they were beginning the development of a new nuclear weapon and people in the United States quite rightly were saying, "well why are we supporting- picking up the tab for safeguarding their nuclear material all over the country when they have money left over

to develop a new weapon, which presumably would be directed at us." Perfectly valid question. But you did not get that kind of discussion at DOE.

Q: Alright.

MALLOY: The next big problem or challenge that came up all the time was a difference in philosophy on fuel cycles, and here you will have to bear with me on what a fuel- a nuclear fuel cycle is.

Q: Oh yes, oh my God.

MALLOY: You know, you dig it out of the ground, raw uranium ore; you refine it to yellow cake stage and at some point you enrich it to a higher level, depending on what you need for its use. For a power plant it would be one thing, for a nuclear bomb it would be something else. When you have used it in your nuclear power plant you have leftovers at the end of the day and the U.S. approach for material that has been cycled through a nuclear power plant was simply to dispose of it. Either put it in a cask and bury it in the ground or immobilize it in ceramics or store it at Yucca Mountain, if we ever get that. But we use this material only once through the cycle. We have very strong held views because a country can, if they reprocess that material, pull out of it a very small percentage of plutonium. So what was the point of securing plutonium if we allowed the Russians to generate more out of the reprocessing of spent nuclear fuel? We were pretty much on our own in that approach. The French recycle and the Russians recycle. The Russians believe it to be wasteful to just use the material once if they could reprocess it and run it a second time through their nuclear power plants. Why not? Well the why not was because that extra step would allow them to extract plutonium and so they would have a never ending accumulation of plutonium, which was exceedingly dangerous from a nonproliferation point of view. So all of our discussions ran up against these two different philosophical approaches, where we felt that it was wrong to reprocess. You know, there is no international agreement, there is nothing in the IAEA (International Atomic Energy Agency) that says thou shalt not reprocess and many countries, including our close allies do reprocess. But it became a problem.

Russia's ultimate goal, in all of the discussions with us, was to set the stage for a new fuel cycle that was more proliferation resistant, gave less opportunities for bad guys to get material away from official control and use it in a nefarious way. The U.S. ultimate goal for nonproliferation was to prevent further accumulation of plutonium. So you start with two different end goals, it was hard to find agreement in the middle, and to this day we are still having those kind of decisions- complications.

The other complication or challenge was, on both sides, visa regimes. I am sure you have heard of "visas donkey mantis"; this is a process where anybody coming to the United States to attend a conference or to pay calls or go to school, to be in a situation where they were going to be exposed to information and technology that could have a risk of enhancing proliferation, they have to be run through this donkey mantis process. Different U.S. agencies have a chance to look at the proposed visit and decide whether it

would be harmful to the interests of the United States. This caused huge delays in the Department of Energy cooperative programs and was a big, big bilateral irritant. The Russian security organs had incredibly tight visa regimes on any travel to the Russian closed cities or to any sites like nuclear power plants, even when they were not in nuclear closed cities. So these two regimes, interagency regimes, would quite often stymie travel and create huge headaches, right up to the cabinet level. One instance when I was accompanying Secretary Richardson on a trip to Russia and we were stopping at two nuclear closed cities to look at Department of Energy funded projects. And at about two weeks out he had decided he was bringing a media team; the media team had to drop out for some reason and he invited Judy Miller of "The New York Times" to come along with us. Well, we did not have the 45 advance day notice to get Judy Miller into these closed cities so he went all the way up to the head of MinAtom personally, having to push the Russians to allow her to go along. I mean, that was how tight these regimes were. But a lot had to do with different agencies on both sides not trusting these cooperative ventures for different reasons.

The other big problem was pricing. Russians had a philosophy that products should be valued at the cost of production. In other words, they spent millions mining and refining this uranium therefore it should be worth millions on the market. And during this period the international market commodity rate for uranium just fell through the floor. It was virtually worthless. So they did not believe us. They felt, again, that we were trying to take advantage of them, that they had developed all this, we were trying to purchase it for power plants in the United States at a low price, they were not getting their due. They did not understand market prices until market prices started to rise and then they wanted to disavow the contracts they had signed because they could see on world markets it was now selling for more than they had agreed to pay. They had trouble understanding that the price on the contract was above the world price when it was signed and it was to factor in certain-

Q: Why was the price rising?

MALLOY: Good question. I do not know but it was rising. I mean, it all has to do with availability and use of power plants. While it was politically very difficult to use power plants in the United States there were many countries, Japan, France to note a few, that used them extensively. Their demand would drive world prices. But this Russian thing with prices ended up, again, we would be dragged into negotiations with them, when they did not believe or did not want to believe it at a technical level, it would end up at the Secretary's level.

Q: Were you picking up a frustration within the Department of Energy with the fact that at least- I assume that during this period nuclear energy in the United States was almost at a standstill?

MALLOY: Well, the impact it had was that if you were in university and you were deciding where to specialize you could see there was no future in uranium- in nuclear engineering so you just would not go there. The flow of bright young minds into the

national labs with the kind of expertise for nuclear engineering was virtually shut off. They had an aging technical population and there was deep concern about sustainability, who was going to be around to ensure the reliability of the stockpile, the U.S. stockpile. And also commercial companies, you were not exactly going to go rushing off and go to work for GE in nuclear engineering because there was no market. There was sadness over that. The Russians, of course, at least the Russians we were dealing with, the ministry of atomic energy at that time was responsible both for the operation of nuclear power plants across the former Soviet Union and also the engineering of the plants of tomorrow and the sales force, selling the technology overseas, including to Iran, Bushehr, and a number of other countries. The Russians actually welcomed the fact that the U.S. civil nuclear engineering cadre was weakening and growing old. They saw this as a niche that would be very lucrative for them. In some ways maybe the DOE people enjoyed their interactions with their counterparts, their Russian counterparts, because these people were looking to the future and trying to develop a more secure, less vulnerable to proliferation fuel cycle. If you were an engineer or if you were a scientist, a physicist that would be very exciting. They actually did feel this bond, you know, that they, the lab to lab folks, were very sympathetic with each other.

The cooperative ventures that we were involved in, I already mentioned Vinca, which was the Serbian reactor, and Russians taking back the fuel. Kazakhstan, Uzbekistan we also worked on spent fuel, research reactor safety. Also in Kazakhstan we did a lot of nonproliferation training for regional Kazak, Uzbek, Kyrgyz officials, training them how to set up detectors at borders. Through our second line of defense program DOE installed detectors so commercial trucks driving across the borders, they could tell right away if there was radioactive material onboard. DOE performed a lot of training of nuclear safety involved and then also the Kazaks, during- when it was the Soviet Union the Kazaks had two huge facilities and ended up with a lot of nuclear debris. They had the Semipalatinsk complex where the Soviets had tested their nuclear weapons. They also had Baikonur, the space launching station. There were all sorts of at-risk materials that the Kazaks needed help dealing with. It was a partnership of U.S. knowledge on the latest approaches to safeguarding but we needed the Russians because it was their material, their technology, so these were cooperative ventures. Ukraine nuclear power plant safety, obviously we were heavily involved in Chernobyl and decommissioning and strengthening the sarcophagus around the power plant that had exploded. I actually got to go with Secretary Richardson to the formal ceremonies closing down Chernobyl. It was touch and go right up to the last minute because the Ukrainians needed the power from the plants and once it was shut down they were- unless they had some sort of alternate power they were in serious trouble. So that was very dicey right up to the last minute.

Q: The Chernobyl power plant was a type of plant; I mean, were there other ones of this nature that we were concerned about?

MALLOY: Oh yes, oh yes. It was an early model and there were other ones operating in both the former Soviet Union and other places. And so we were, the Department of Energy, very heavily focused on helping the people running those plants, first of all,

enhance the safety and the operation but also looking to how you would replace them. But that was a huge, huge financial issue.

Core conversion project was exactly that. There were several reactors, power plants operating in Russia providing electricity and heat for entire communities, and if you shut down the plant you would have to shut down the whole city. DOE scientists were engaged in an effort to determine if it would be possible to change the way these reactors operated rather than shutting them down; it was called core conversion. There were serious nonproliferation concerns with these particular plants. We spent many years doing joint technical work, this kind of conversion had never been done before, and it was a high priority. After the Clinton Administration ended and I went off to Australia I read things in the newspaper that indicated to me that we had abandoned the core conversion project and that they were now looking at swapping them off with fossil fuel plants. That approach has huge environmental concerns. So, we had financial, technological and liability concerns with core conversion and if they stop using nuclear energy and start burning coal they will have environmental problems. So these were technically and politically really, really tough.

We also worked on renewable energy. There were parts of DOE- DOE was broken down by functions so there was a part that just dealt with fossil fuel and there was another part that dealt with energy efficiency, and yet another part that looked at renewable energy. They also had programs with the Russians on cooperative research, and one of the things we tried to do was to take the scientists working under the Nuclear Cities Initiative, these were scientists that we were trying to anchor who used to be in the process of building weapons, and tried to get them to focus on fuel cell technology research. They had tremendous minds. I mean, they were really, really sharp, and trying to get them to work on things where you could have a fuel cell that might provide power for a remote community or whatever, so-

Q: Is solar energy, is this or-

MALLOY: That is part of it but not- I mean, that was a very important renewable energy source but not so much in Russia because of its climate and also it did not have the infrastructure to produce the solar equipment so fuel cell technology was the more promising approach there. The other thing we did with them was try to use the scientists to look at remediation of what people euphemistically called the “Cold War legacy.” That was the horrible environmental impact of weapons development and testing. Looking at things such as- they were testing certain types of plants that would actually leach radioactive materials out of the soil so that you could then harvest the plant and dispose of it rather than having to harvest the top two feet of soil and dispose of that. We were trying to get a "two-fer" out of the Nuclear Cities Initiative, to anchor scientists of concern in Russia by hiring them to do something that played into some of our other technology interests.

The other thing we looked at was cooperative monitoring. Our national labs were trying to reinvent themselves because if the U.S. Government was not going to develop and

build new nuclear weapons then what would become of these tremendous resources at the national labs? One of the things that they did was they took technologies developed for the U.S. military and tried to come up with civilian or peacekeeping applications. Once they did this we organized training sessions for the Russians and other former Soviet Union countries to explain how to apply these. It could be confidence building or cooperative monitoring. So, for instance, along a long border, rather than having manned checkpoints, by using some of these technologies border guards could detect attempts by people to cross over.

Q: What was your role in this?

MALLOY: Well, one thing was helping Sandia actually set up an institute for cooperative monitoring, helping them understand how to package it and sell it within the U.S. Government as something that actually helped our nonproliferation goals as opposed to just keeping an income stream going to Sandia. And then also-

Q: Sandia being our major-

MALLOY: One of our labs.

Q: -major labs.

MALLOY: Sandia, Los Alamos, Argonne, Brookhaven; DOE supervised all these- lots of them. The national labs each tend to be specialized but Sandia was the one that worked on cooperative monitoring. Then also helping them reach into the State Department to deal with visas regime, explaining how to structure this in a way that would expedite the processing of visas for these people. And one of the things they did was they actually built this cooperative monitoring center outside the gates of Sandia; it was on Sandia's property but not inside the area where one had to have all these special nuclear clearances. That was very helpful for us because that was what we were trying to get the Russians to do with their nuclear cities. In other words the Russians wanted to get U.S. companies to invest in projects to employ their scientists. Well of course if you were a U.S. company you were going to want to be able to go and see your project; you were not going to want to put in a request 45 days in advance to go and see your project. So what we were trying to get the Russians to do was build the cooperative commercial facility just outside the gates of their lab so that the visa regime would be more fluid. So Sandia, doing this with their cooperative monitoring center actually helped us show the Russians how this could be done.

And then I also mentioned the research into a more proliferation resistant fuel cycle. Now, I did not get involved in that because I knew nothing about physics. Where I got involved was helping the Secretary distinguish what was pure technology issues from those with a policy interest in Washington's interagency. Often Minister Adamov would brush aside issues by telling Secretary Richardson that they were purely technical and that he did not need to know about it. When he really did need to know about it, I would

follow up on it but only from a substantive policy sense; I would never get into the cycle itself.

Q: Well I can see a problem with you sitting there sort of at the feet of the secretary, all sorts of things are going on; you have no real technical- I mean, you have the layman's knowledge, you've been in the field for a long- you know, I mean, you're not a novice at this but you know, here's a big department, all sorts of things going on; did you have spies or, I mean, informants or somebody telling you watch this thing or something? I mean, how did you find out some of the things that were going on?

MALLOY: Well first of all I did not find everything. I know I did not because the game was "keep away." What I found shocking was that, and I mentioned this before, I naively assumed that if the Secretary wanted to know about something that the people working on that project would happily tell him, and that was not the case. I had to develop my own lines of communication and I did it in a number of different ways. I found just by attending meetings and by stopping by peoples' offices and visiting I actually would learn quite a lot, enough to know that there was something that I needed to be looking a little further into. But I also found that if I could add value to peoples' work they were more likely to tell me about their work. That was one of the reasons I engaged on some projects like trying to help find ways for the DOE to help the Russians come up with a plan to deal with their sinking nuclear submarines. These were the ones that were not considered to be enough of a threat to make the grade for DOD's dismantlement program but were still- they had reactors onboard as opposed to weapons, basically. Because the more I helped people get their work done the more likely they were to be honest with me. I did not cultivate snitches in that sense. The reason I did not do that was I knew I was only around for a couple of years and these people were either long term employees or they were contractors and both were highly susceptible to retribution. I was not going to leave anybody in that position. So it took a huge amount of my time. The tendency normally would be to lock yourself up in the ivory tower and make sure the Secretary was well served but the reality was I needed to spend more time out of the office just on the ground almost like a reporter, digging up leads. And also over at the State Department, at the NSC, at Department of Defense, NGOs, my "heads up" notices came from all these different areas. We started out talking about women being aggressive and I had to be assertive in making sure that I attended meetings even when people did not want me there. So that was a sure sign- If somebody said to me, "oh, you don't need to bother your pretty little head," that was a sign that I needed to be at that meeting.

Q: Yes, yes.

MALLOY: Because the other problem at DOE was that they did not- they had classified capability but it was very restricted and hard to use so they did not use it. They tried to control pieces of paper even though they did not classify them, even though they prepared them on unclassified computers. So they were very leery of who could read something or who could be in a meeting, because that was their way of controlling information.

Q: Did you find when you entered an office people would turn paper over?

MALLOY: Oh yes. And they actually locked me out- they changed the codes so I could not enter the bureau front office without ringing a door bell; they blocked me out. It was truly bizarre. Almost, in hindsight, amusing. But they would take this same material that they would not share with me and they would email it to a Russian national lab person and or they would email it across commercial internet to a U.S. lab person, naively thinking that somebody was not watching the internet and downloading all this. So it was, again, I go back to them being naïve about how they were handling their material. So part of my job was to give them some ideas on how to move up so they could be real players in the policy sense. One of those things was helping them change the way they handled their coordination within the U.S. Government, how they- to make sure that only the right people appeared at interagency meetings and spoke for the Department of Energy, because there was just all sorts of people working on these programs and the NSC never knew who to invite from the Department of Energy on a Russia subject. There was somebody in every different part of DOE who would want to be there. So my message to them was that they needed to come up with a geographic focus and make sure they had somebody who knew everything about what was going on in Russia. They also had to expand their Moscow office. Jim Collins was the ambassador in Moscow at that time and so I worked him and with the science counselor and the DOE office folks in Moscow to do the NSDD-38. That is the National Security Decision Directive that says any U.S. agency looking to put more people overseas has to get chief of mission approval. We drafted the NSDD-38 request cable and ran it past Jim Collins and the Embassy Moscow science folks in advance to make sure everything was covered before DOE ever submitted it formally. The old hands at DOE said that they did not want to file a formal NSDD-38 request as it would take years to get it approved. Well, it did not take years; it was approved right away because we had already worked it.

I mentioned the visa process. The Secretary asked me to take the lead on negotiations with the Russians on how to break the logjam on both sides; on our side the donkey-mantis process and on their side the security organs. At the very first session in Moscow when we started listing all the problems, the Russians did one of their little temper tantrums and left the room. I just sat there and waited until they came back. They came back and sat down and we worked on the problem. You talked about people in the building; when I sent around a email to all the DOE folks saying that the Secretary had asked me to go to Moscow to negotiate fixes to our bilateral access problems, and solicited input on specific problems, I immediately got an email back from one gentleman at DOE. He had meant to send it to his buddies but he hit "reply" by mistake. It was a very snide message saying "oh, you know, now we'll never be able to go to Russia again." But he sent it to me by mistake.

Q: By mistake.

MALLOY: By mistake. So I sent a little message back saying "I'm a little confused by your message." And then two seconds later I got a message recall notice. I was subsequently told this gentleman was down in the IT section desperately trying to find a

way to remove an email. And so the whole building was in chuckles because this was somebody who had been stymieing me every step of the way but covertly, and for the first time there he was on the record, rabblerousing.

But the other thing that I did, and this was something, part of the giving value back, I organized a monthly Russia meeting and invited people from every part of the Department of Energy who had anything to do with Russia. I included the ones who were working on supporting U.S. energy companies at Sakhalin, the ones who were working on renewable energy, etc. It was the only time when they could all come together to hear what was going on. I would brief them on the Secretary's travel and Dr. Ernie Moniz's travel as well as plans for high ranking Russians coming to town, so that they would have a sense of where they had opportunities to get some traction on their own programs. I then trained somebody who would be staying on at DOE to take that meeting over, because again, I knew I was temporary, only there for two years. I wanted it to be sustainable. But it got lots of great feedback from people who then started telling me what they were doing and how it all came together.

The other thing that I tried to do in terms of lifting their game was to explain to DOE the difference between a foreign affairs agency and a non foreign affairs agency, the advantages and disadvantages. They would have had to go to Congress and to seek legislation to change their status but the State Department, Pentagon, Agriculture, Commerce, these are all foreign affairs agencies. That means they can process money overseas, make purchases, it was easier to station people at embassies, they have first pick at housing at embassies; all these different things. They never bought on that, they did not want to do that. But the fact that they did not have that status created problems. For instance, they could not make purchases and procurements overseas; they had to go through the embassy ICASS system, and it cost them all sorts of money. And when U.S. Government-owned or long-term leased housing got scarce overseas that meant they would have to go out on the local economy and find their own; they would get displaced. But they did not go for that status.

And the last thing I tried to get them to go for was classified communications. They just had to bite the bullet and start using interagency classified communication system around Washington because that was the only way to safely move information around. They were still in the process of hand carrying information around.

Q: Why were they opposed to sort of joining up sort of the administrative apparatus for overseas operation?

MALLOY: Well, Department of Energy is predominantly a domestic agency. They do not think of themselves as a foreign affairs agency. And that would be fine if they were an occasional traveler but if you look at the huge hunk of money and the number of people they have stationed overseas, and during this time period it went beyond Russia; they were looking to cooperate with India and a number of other countries; they needed to have a structure for working overseas.

Q: Well you were there at a time when all of a sudden this came up. I mean they weren't thinking in those terms. Or had it been around and they just-?

MALLOY: It had been around for years, they were sending people on Department of Energy TDYs and then they in some places had an energy attaché who would be part of the Econ section. But having people based overseas conducting operational programs was new for them, and this was the problem. They did not have a personnel system that could accommodate employees returning from overseas work and deal with such issues as job retention, home leave, etc. They did not know how to deal with any of this and they were trying to recruit people to go to these overseas slots with no commitment as to what kind of job they would come back to. Very, very difficult.

Q: Yes, the Civil Service, it's not designed-

MALLOY: No.

Q: Now, other agencies such as Agriculture have developed their own foreign service and sort of have melded into our system but this is a new-

MALLOY: It was new. They (DOE) were doing things that were inappropriate. For instance, they were letting people accrue home leave and giving them home leave. Well, home leave only applies if you are going back overseas again, which none of these people were. So it was inappropriate. Well, but then how do you compensate them? I mean, they were trying to reinvent the wheel to deal with all of the things that being a foreign affairs agency was meant to solve. The classified, they just did not- they found working with classified information so onerous they did not want to deal with it. But that was a big concern.

The other thing that I thought worth mentioning was reoccurring themes in our discussions with the Russians. Number one was Iran. Of course, this was the time period when we were using every tool of persuasion we could find across the U.S. Government to try to convince the Russian government not to build the Bushehr power plant in Iran. Our concern was twofold; one that they could reprocess material from the operation of the plant to produce weapons grade material and two, just the ability, just having it there would give them enough knowledge and understanding of the fuel cycle that it would enhance their own ability to develop a weapons program. The Russians philosophically disagreed with us. Adamov used to call this the search for a black cat in a black room. He meant by that that we were trying to get them to find something that was impossible to find, that did not really exist.

Q: I mean, did the Russians see proliferation as a problem? You know, I mean, it's not as though this is, I mean, the Russians were discovering that they had an Islamic problem, you know, Chechnya and other places so that- And you had here at that time was a revolutionary Islamic country out to raise hell and I would think that they would- right on their border.

MALLOY: You would think so but no. His position was that no one had ever developed a weapons program simply by association with the civil nuclear power program and he used to sneer that it was really our friends the Pakistanis who were the ones that were more likely to be proliferating technology, and of course that turned out to be-

Q: They were.

MALLOY: -true.

Q: Yes but I mean, both are-

MALLOY: But the, as I said the ultimate goal was to develop the fuel cycle of the future and that trumped everything. So what- We were trying to stop something in Iran; they were arguing their fundamental position, that the IAEA gives every country the right to have civil nuclear power technology and they would do nothing that would give the appearance that they were backing off that position. So they would agree to take the used nuclear material back to Russia, to reprocess it there. They could understand that. But they would not stop building that power plant in Iran. And that is still their position to this day. But that was a constant theme.

The other thing that came up a lot was debt for nature swaps. This was the first time I had hear about this and it was fascinating. But the Russians, of course, had tons of rubles that were virtually useless, sitting around. There was no shortage of rubles; the rubles just did not have value. They also owed a lot of international debt. And so the proposal was that the Russians would use their own rubles for various projects to save at risk parts of the country environmentally and in exchange for that they would get relief from some of their international debt. This was a concept that has been used in countries around the world; there was nothing new about it. But we were trying to help facilitate some of that. In the end it did not really work for some commercial interests but it was something that kept coming up at the Secretary's level, that this would be an intriguing thing to do. But the devil was always in the details. The, as I mentioned, access, taxes, liability, visa restrictions - all were constant themes. Also Russian uranium sales to USEC, constant complaints, either we were not buying enough, were not buying it fast enough or we were under paying them they felt.

And another thing that we spent a lot of time on was helping U.S. energy companies. I went with Secretary Richardson to Sakhalin Island and also I was with him at a number of AMCHAM, American Chamber of Commerce, meetings in Moscow. The main players there were the big energy companies. This was a period when there was huge interest on the part of U.S. companies in getting what are called PSAs, Production Sharing Agreements. Basically the U.S. or international entity comes in with the money, the technology, does all the work and as the product starts to come on stream the host government, the Russians, get a certain percentage. In other words, they own the oil or the gas that was there and so they get a share of it and the U.S. company gets a share of it. Many of the PSAs signed during the period of time when Russia was hurting financially subsequently were disavowed by the Russian government. Plus the restrictions they were

placing on new ones exploiting Sakhalin were very onerous. So the U.S. Secretary of Energy was drawn into jawboning the Russian government as best he could to help U.S. energy companies.

The submarine issue was one that I spent a huge amount of time on.

Q: Just a minute.

Submarine issue.

MALLOY: As I mentioned before, the big boomers, the big Soviet submarines that could actually launch a missile-

Q: These are B-O-O-M-E-R-S; this is a nickname for the big submarines on both sides that had nuclear missiles.

MALLOY: Right. We were helping dismantle, at their request, the Russians asked for assistance in dismantling the subs that they had to dispose of. This was being done by the Department of Defense, U.S. Department of Defense, at a couple sites in Russia. However, the Russians had a huge environmental problem which they wanted us to look at as a nonproliferation problem, with a whole generation of submarines that were run on nuclear reactors but were no longer serviceable and were in danger of sinking and indeed some had-

Q: I remember seeing pictures, I mean, scary and all.

MALLOY: Yes.

Q: Some of these tilted over and you know, they were nuclear type submarines, Vladivostok, and Murmansk maybe.

MALLOY: Murmansk. Yes, Murmansk and Vladivostok and Kamchatka and a number of other places.

So we ended up doing- we spent a good two years on this because in order for us to look at it as a nonproliferation issue, the submarines had to have material onboard of a certain level of enrichment. First we had to get data from the Russians, where were the submarines, what was onboard, yada, yada, yada. When we finally got that data it was pretty clear right off the bat that they did not meet the threshold for assistance under the cooperative threat reduction agreement. That threw it back into the realm of environmental assistance. U.S. Government cannot spend U.S. taxpayers' money overseas to help clean up other countries' environmental problems. So on the face of it we could not do anything but this was such a big issue and it was so near and dear to their hearts, especially to the Russian navy, that we worked quite closely, that the Secretary wanted to see what could be done. So I took this onboard, to see if we could create an international coalition, because while we could not spend money on environmental

remediation other countries could. I visited the Belgians and the Nordics and spoke to them and spoke to their embassies in Washington and it turned out they had the mirror image of our restrictions on funding; they could not spend money on nonproliferation; they could only spend money on environmental remediation projects. For the Nordics, of course, if these submarines polluted their fishing grounds around Murmansk there would be huge problems.

Q: Yes.

MALLOY: So I was able to get together a group of countries, the Japanese, of course, were very interested with the subs near Vladivostok. This is what I was referring to earlier when I mentioned the U.S. Government using its existing agreements on taxation and liability and access to funnel money from other donors that could not afford to set up their own structure and have their own negotiations with the Russians. So we were very close to coming up with something that would work but as of the time I left DOE the Russians still were refusing to allow any new activities to include this one to come under the umbrella of the CTR agreement in terms of taxation and liability protection. They were taking the position that we would need to negotiate a whole new agreement, which we would never be able to get through our Congress. And so we had to give it up. And I really felt bad about it because we could have done some serious work on this problem.

I was asked by the State Department about this time if I would go to Murmansk to represent the U.S. Government at, oh, let me see if I can find the exact title; Strobe Talbott had set up or attended a couple meetings of the Arctic Cooperation Council at a very high level, and generally it was foreign ministers going there. This year he could not go for some reason so the desk came to me and asked if I would go and be the U.S. rep. I agreed to go because it was a perfect place for me to speak with all these people about these submarines. I went first to Oslo and then I flew into Murmansk with the Norwegian Foreign Minister on his plane. It all worked out very well, and at that moment I thought we were going to get it done. We had- the Russian foreign minister was there, Ivanov, with whom I had worked closely during my Kosovo days, so I knew him but it just did not happen. I do not know whether it was the Russian security organs or what it was but they decided that they would let that project go rather than waive liability and taxation.

We had one last shot at it. Towards the end of the Administration Secretary Richardson decided he wanted to have one last push at a lot of these programs and reach an agreement. So we started out on an around the world trek. We got on a U.S. Air Force plane, a small jet, at Andrews Air Force Base, flew to Frankfurt and refueled, flew from there to one of the closed nuclear cities to look at projects then flew from there to Astana, Kazakhstan, to tie down some projects with the Kazak government, then went to another site in Russia, then flew to Vladivostok to look at Russian navy sites. We actually got caught in a tsunami while we were there so we were out inspecting these sites and we all were soaked literally to the skin. I have this great picture of the four women on the group standing there with tsunami wind blowing us away. You can tell from looking at the photo that the Secretary was just dripping water all over the place; it was a wild trip.

We then flew to Kamchatka and this was where, for the first time, they were going to let us see these submarines. So they took us to an old Soviet nuclear submarine base on Kamchatka.

Q: That's basically an- Kamchatka's where?

MALLOY: Kamchatka is the little peninsula that is probably nearest to Alaska.

Q: Yes. It comes down and then it- if you continue it on Sakhalin is basically part of that same ridge.

MALLOY: The irony for me was that we were landing and visiting with Russian escorts at the very base that they were trying to protect when they shot down the Korean airliner that had strayed into their air space over Kamchatka. So for me this was a real mind bender. And they were trying to be very protective of it. We had, of course, a fairly large delegation because we had everybody on the plane plus we had Jim Collins, the Ambassador in Moscow who had flown out to join us, and we had the consul general of Vladivostok as this was her territory, and assorted other cats and dogs. So there were a number of people there and we were all supposed to go in the morning to see the sub base.

They invited the Secretary to go with two people from his delegation for dinner the night before. Rose Gottemoeller, who was the head of all these programs at DOE at that time, and myself were the two who went with him. It turned out they were taking him to a spa where they would take the Soviet cosmonauts to recover after landing. It had natural hot springs. Rose and I found ourselves in this kind of bizarre situation. The Russians insisted that all the men bath in separate thermal pools from us, Rose and I being the only two women there, which seemed a bit strange. So we would get in one pool and they would all decamp and get in another one. The pools got progressively hotter as you went up the line so the men were sweltering. So Rose decided enough of this and she decided that she was going to cannonball right into the middle of the men's pool. I went and got my camera because, of course, I always take pictures. I was there ready as she stood on the edge, talking to the Secretary, and then just leapt right into the middle with this enormous cannonball and splashed everybody. After that they let us stay in the same pool with the men. But it was unbelievably hot so I was not in there long.

But it was kind of strange. Later we had dinner and then the security detail came to me and said, "the Secretary says he's spending the night here." I said no, we are going back to the hotel. So I went to talk to him and found that they were offering him this luxurious night, imploring him to just stay there so he would be closer to the submarine site in the morning and he would not have to drive the hour back to town and then out again. And I said, "Sir; they're trying to isolate you from your delegation. You have all these people back there who have flown here to go to the sub base with you tomorrow and they're all going to be left behind. That's what they're trying to do. They're not trying to make your life any easier." So he reluctantly agreed with me that he had to go back to the hotel because that was what they were trying to do; they were trying to shed everyone and just

take him. But he was disgruntled that I made him give up his nice guy's night at the spa and go back the hour's drive to the hotel in town.

But we did go the next day and we had a boat tour of the base. We got to walk on the actual docks. We did not get on the subs that were anchored along the docks. But they showed us the submarines that they wanted us to help them take care of.

Q: Did you wear little clips with the radiation-?

MALLOY: Not on this trip. I did that when I went through Iron Mountain on another trip and they gave us actual decimeter readings before and after to show us how much radiation we had been exposed to but not on this one.

Last but not least, the theme that came up, that was raised by the Russians more than anything else was their desire to open an international repository for spent fuel. As you know, perhaps, from the newspaper here, in the United States we have been unable to develop and use a U.S. Government approved repository for spent fuel. We have all sorts of ad hoc temporary arrangements all over the country but the U.S. Government's desire to take the Yucca Mountain facility has been stymied due to safety and environmental health concerns.

Q: Not only the storage but the transportation too. Nobody- Not in my backyard is the-

MALLOY: Right. Big, big deal, moving this stuff around. Everybody wants the benefit of it; nobody wants to store it.

Anyway, the Russians were saying, "well we volunteer. You know, we have Siberia and there's nobody out there and we'll build standard international facilities." However, because so much of this material around the world is U.S. origin and when the U.S. sells uranium to Japan or Taiwan the agreement is that they cannot ship it to a third country without U.S. Government permission. So we would need to forge an agreement.

Well, there were many, many reasons why this was not a great idea. One, if we were spending all this money to safeguard the Russians' existing material why would one assume they were capable of safeguarding other countries' nuclear material? Another argument was why would we want to concentrate in Russia all this material that could be reprocessed and used to produce weapons grade material? But there were many reasons why we would want to do this. It would provide them a sustainable revenue stream that could be used to provide funding for their own safeguards; it would relieve huge storage problems in some countries that have no place to put this stuff, because also if you accept U.S. fuel you agree not to reprocess it so it was building up.

Q: Yes, I mean, for example Japan; you know, both it's earthquake prone and it's a small place.

MALLOY: But it was also a great carrot if you wanted to influence Russian behavior or Russian agreement on other things. So it was an idea that was given a lot of serious thought and reflection but did not come to closure by the end of the Clinton Administration.

Q: Was there- During the time you were there was there a theme or an idea going around that okay, this is- right now all this spent fuel is a real problem but in the future we'll come up- someone may come up with something and this will be a great- a plus to have this stuff.

MALLOY: That was the Russians' position and going back to what I said earlier - they felt the value of a product was related to what it cost you to produce it. Even though the market for this uranium at that time was very low they saw it as being a valuable commodity down the road and they really did not fuss too much about the environmental impact; they were quite happy to have this material in an international repository on their soil.

The same proposal came up in the Bush Administration all over again, and I'm sure it is still out there. It was something that they very much wanted to do but it would have required the signing of what is called a One-Two-Three agreement. Basically an agreement governing U.S. origin uranium, and that would have to be, presumably would have to be blessed by the U.S. Congress and so it's a very-

Q: Not going to happen.

MALLOY: You know, if all the stars are in the right position it could happen but it is very dicey. So I will be intrigued to see if it comes up again in the Obama Administration.

Q: Alright, we're back on. You want to talk about any, since you are the foreign affairs type, what about the Indian/Pakistan equation during your time?

MALLOY: Well, if I remember correctly this was before either of them had overtly acknowledged that they had developed nuclear weapons technology but there were signs that they were both very close. And so that gave Minister Adamov a little stick to poke in our sides, because if you remember, if you go back during the Cold War, India was a client state of the Soviet Union and Pakistan was a client state of the Americans. So the Pakistanis were, at this point, ahead of the game and causing more concerns in non-proliferation circles than the Indians. Adamov would raise this every time we were pushing them on Iran, to show what we were doing, supposedly doing in Pakistan, because they assumed that we were helping the Pakistanis. So that created a distraction but the Secretary was not engaged in any kind of a nonproliferation effort with India or Pakistan. There were some thoughts at a lower level in Rose Gottemoeller's shop about perhaps setting up a DOE attaché in Delhi to work on these issues and offering the Indian government some of the similar kinds of assistance with materials protection, control analysis, but it was not something that I was working on but it was definitely out there.

Q: Did you have much contact or could you observe the DOE and Congress on issues during the time you were there?

MALLOY: They were huge, hugely important because of the appropriators and the money that DOE was getting for these programs. There was a feeling that they had to keep the staffers and the congressmen who were actually on committees that were important to DOE very well briefed. My difficulty was that it was always a "Pollyanna" kind of briefing; it was not, "here's the realistic problems we're facing and this is why we've had to adapt," or, " this is why we're not meeting all our goals." It was just the positives. And there was a constant addition of new programs and in my interactions on the Hill they kept saying, "surely there's a program that's outlived its usefulness and completed its work or failed to meet its goal; tell me about that. You know, we have to start winding down some before we add new." It was against the nature of the beast for DOE to admit that there was anything less than 100 percent spectacular compliance. That troubled me.

But they worked very hard as indeed State does but I think DOE actually does it better, to work particular contacts. They would, for instance, any time a congressional delegation from the appropriators or the home state of New Mexico or Ellen Tauscher out of California who was then responsible for the big national lab out there in her district we would fight to get them access to the closed cities so they could see the DOE projects. DOE worked very hard with their staffers for the same thing. If they wanted to go over there DOE would think nothing of sending somebody from headquarters to accompany them to make sure they got the right access, saw all the right people. So the Hill was remarkably important when you think about the amount of money that was involved there.

Q: When you were there was there a relationship between Madeleine Albright and Bill Richardson? I mean, were they- or were you sort of in between or not?

MALLOY: No. I did not discern that there was any kind of working relationship. Bill Richardson worked mainly with the White House; he was very close to President Clinton. I'm sure they interacted in cabinet meetings but-

Q: Well they'd both been with the United Nations and all that but that didn't sort of carry over as far as-

MALLOY: No, I don't think there was any great sympathy. I don't know that they disliked each other but it just-

Q: No, there just wasn't a, you might say a positive chem- I mean, a kinship or something like that.

MALLOY: No. Not that I discerned. One of my jobs was to make sure that Secretary Richardson knew what was going on at State in terms of who was moving where and

different dynamics so that he would not be caught short but no, I did not see any interaction.

Q: How about Strobe Talbott? Because so much of your work was concerned with Russia and he was Mr. Russia.

MALLOY: Yes. He would be involved with the policy process but not so much with Richardson. I do not know that they spent much time together.

Q: Well I suppose from their perspective what you were doing was the chicken shit, even though at a higher level.

MALLOY: Yes. More operational. DOE's representation on Gore-Chernomyrdin process was also pretty spotty and it did not get back into all the working levels. The information flow was very stunted. Bill Richardson liked being his own man. You know, he was not a consensus builder; he wanted to work on projects where he could have a personal impact and he would rely on the rest of us to make sure that all the other needful things got taken care of. Good question; I do not recall any meetings between him and Strobe but that does not mean they did not take place.

Q: How did you find Richardson as a diplomat, a negotiator, between- with the Russians?

MALLOY: He was a straight talker and I think they appreciated that. You know, he would say what was on his mind. He was very driven to achieve a result and that made it incredibly frustrating for him because achieving results with the Russians takes years. You did not go on a trip and by your personal force achieve a result because usually the person you were dealing with was not empowered to give you what you wanted. They can be motivated to go back and fight within their own bureaucracy but I think he found it very frustrating in that sense. And he felt the clock ticking. You know, they were all coming to the end of the Administration and he had not achieved what he wanted to. Adamov played that against us and, of course, decided that he would just wait for the next crew to come in and see what he would get from them.

Q: Did you find yourself, you know, after a meeting or something and the secretary might say well I think that went well and you'd say well, not really or something of that nature?

MALLOY: Sometimes. I think one of the things that bedeviled him was that DOE did not have a protocol functionary. In other words, it has all sorts of international visitors all the time but they rely on the technical people bringing them in to make sure they were handled properly. There was one instance when the Secretary inadvertently deeply offended a high ranking Japanese visitor. It wasn't his fault but there was a protocol fluff there. Usually the visitors are brought into a waiting area before they go into the conference room where they would meet with the Secretary. When the Japanese visitors were brought into the waiting area they were asked whether they would like tea or coffee. And they said, " oh, no thank you," meaning that they knew they were going to get up

and move into the conference room in a few moments. The person was really asking them whether they would like tea or coffee **during the meeting** with the Secretary. So the Japanese said "no thank you" and we all filed in to the conference room and took our seats. I was only in this meeting because we wanted to explore possible Japanese cooperation on the Russian submarines needing dismantlement - I did not normally handle issues related to Japan. The secretary walked in the back door of the conference room from his office and he sat down. His assistant walked in and put a cup of coffee there for him to drink. The meeting started and he sat there during the meeting drinking his coffee -- nothing was offered to the guests and they were deeply insulted. Later we received a call from the Japanese Embassy to convey to us how insulted they were. I watched this play out and I knew how it was going to turn out badly but there was nothing I could do to stop the faux pas without embarrassing the Secretary in public. A foreign affairs agency invests in protocol. I did not hold the Secretary of Energy accountable for that glitch but the reality was that meeting did not go as well as he thought and he was very unhappy to find out that it was indeed a disaster. And I had to be the bearer of bad news on that one.

So, yes. I mean, he liked to be himself. He was a casual, straightforward person but there were times when one could not be casual; you had to be formal. And I think that might be harder. But he was a tenacious negotiator and generally would get what he was going for if the interlocutor was empowered to give it up.

Q: Were you able to sort out who had power and who didn't and pass it on to the secretary?

MALLOY: To a certain extent, yes. I would call on the Russian Ministry of Foreign Affairs, I would call on contacts that I knew at the Russian Presidential Administration. Some of the folks that I worked with years ago as my counterparts on the INF Treaty had now risen to fairly high levels. I would then use this information to give him the benefit of who really could help DOE programs and who had to be a player. I do not think anybody knew at any one moment exactly who could break the logjam on a specific issue. One thing that I did try to make clear to him was that there were increasing signs that all was not well with his counterpart, Minister Adamov. We were picking up signs that he was playing fast and loose with some of the assistance money and on and on but nobody wanted to hear that. After the Clinton Administration left office Adamov actually was criminally charged and the United States is still trying to extradite him to face charges here. So the smoke that we were seeing indeed was a sign of a serious problem. We could tell the Secretary how we thought it would play out but I do not pretend that I could look him in the eye and tell him exactly who was in control. The Kremlin was and still is very hard to read.

Q: Kremlinology is still a- and I'm sure today; I mean, we've got a president and a prime minister with Putin who-

MALLOY: Well at this point- Jim Collins was still ambassador and I would rely on the Ambassador for that kind of crystal ball reading. I was working on my onward

assignment and Jim had asked me to be his DCM. I was very interested in that. So you can believe I was trying to figure all these things out but from my position at DOE, without access to the classified system and the INR data and the Russia desk.

Q: Well, this may be- Is this a good place to stop, do you think?

MALLOY: Yes.

Q: And where should we pick this up?

MALLOY: Well, let's see. Got a little bit left on some of the other things that he asked me to do.

Q: Do you want to do those?

MALLOY: Well, why don't we pick up the tail end of DOE because I never answered your question from last time about Kosovo following me.

Q: Alright.

MALLOY: But we can finish DOE the next time.

Q: Okay. Do you want to mention what you want to pick up on DOE?

MALLOY: Well, some of the extensive travel that I did, part of the job, and the places that it took me. And then some of the publications and other activities that I got involved in during this time period.

Q: Okay. And the question I asked was about Kosovo?

MALLOY: Well I had mentioned that when I left, because my previous job was deputy assistant secretary for European affairs, where I had become totally wrapped around the axle on Kosovo and I had mentioned that it then followed me to DOE, and you wanted me to talk about that.

Q: Okay. Alright, we'll do that.

MALLOY: Great.

Q: Today is the 10th of August, 2009, with Eileen Malloy, and Eileen, we're going to wrap up the Department of Energy and I think you've got some things you wanted to talk about there.

MALLOY: Yes. I wanted to run through some of the travel that I did for DOE, only because some of it was very, very interesting. I've talked previously about going to Kazakhstan for the regional training center. While I was there the Secretary asked me to

go down to Kyrgyzstan, which of course was my former posting. The Kyrgyz ambassador in Washington had called on Secretary Richardson to discuss a couple of topics where they were looking for assistance and one was finding a way to deal with the uranium tailings that had been left behind as part of Cold War legacy. The Soviets mined a great deal of the uranium used in their nuclear weapons and for fuel for power plants in Kyrgyzstan. The tailings were the mountains of debris left behind, which were now threatening the main waterways and water supply of Kyrgyzstan. Unfortunately, because the U.S. Government cannot use its funds for environmental remediation overseas and because the level of the material never rose anywhere near the amount to qualify for Nunn-Lugar money we could not do anything for the Kyrgyz on that issue.

He was also interested in talking about climate change at that point, and that was of great interest to Secretary Richardson. We were trying to get various countries lined up to become more active in climate change so Secretary Richardson asked me if I would go down to Bishkek, the capital, when I was in Almaty, about a three hour drive, to speak with the Kyrgyz about possibly signing them up for some climate change activities. I dutifully put in a country clearance request to go down there. Travel was in late June and I was very surprised to get a phone call from the desk telling me that my travel to Bishkek, the clearance had been denied by the ambassador. This was my successor.

Q: Who was that?

MALLOY: Anne Sigmund. And the reason given was that the post was too busy preparing for the July 4 annual celebration so they could not accommodate my visit. But I had made all my travel and housing arrangements and the Kyrgyz ambassador in Washington had made all my appointments so I just- I didn't quite understand this. But the then DAS, Ross Wilson, called me and said that they would appreciate it if I didn't push it, just leave it, which led me to believe that there were some problems at post. So I did not go to Kyrgyzstan.

We flew in on the plane to Almaty for the nonproliferation seminar that I was going to and, unfortunately, on the plane with me was one of the deputy prime ministers from Kyrgyzstan. Almaty was the airport everybody in Kyrgyzstan used and somebody who I had known quite well saw me and said "oh, but you're coming to Bishkek!" I had to say no, I was not coming and it was all very awkward. In her eyes it was shocking that I would be so close and yet not troubling to come down to Bishkek but I did not want to tell them that my successor had denied me country clearance. It was all kind of bizarre. So while I was in Almaty a group of the embassy's Kyrgyz employees got in a car on their own and drove three hours up to Almaty to see me, just to chat, because they felt bad I wasn't coming down. So that was a bizarre little thing that never-

Q: I mean, you know, I can't help feeling this is one of these foreign service things where somebody didn't want their predecessor to come and muck up things or-?

MALLOY: Had to be something but I never got an explanation from my successor, never actually got to talk to her after that but it was very, very strange.

Let's see; a couple of things that I did domestically, DOE sponsored a geologic repository conference in Denver and the minister for atomic energy for Russia was invited, along with lots and lots of Russians. They were very interested in geologic repositories, of course, because as I mentioned last time they very much wanted the U.S. Government to agree to allow U.S. origin material used by third countries in power plants to be stored in Russia. DOE was working with the labs and trying to develop the safest and most efficient technologies on geologic repositories and this conference was an opportunity to share that with other countries.

The Secretary travelled to Denver to open this conference and had a full range of meetings planned on the margins with Minister Adamov. We were hoping we could push the envelope on some of the topics and themes that I mentioned last time, taxes, access, liability and Iran, the black cat in the black room. The Secretary, perhaps feeling that the end of the Administration was not that far out, the window of actually achieving something was getting shorter and shorter, was very, very blunt with Adamov in this meeting. He said that he wanted to stop dealing with all of these little issues and move on to something that they could both be proud of -- an achievement. Adamov blew up in this meeting. It was quite a heated exchange, one would say, frank exchange of views in a diplomatic phrase, carried on at a rather high volume. Adamov stomped out. And quite bizarrely then when it was his turn to speak at the conference he started ranting and raging about how he was in the country illegally because of these bizarre U.S. Government restrictions on access by Russian scientists to the United States, and just- it was very, very strange. It was probably the low point in the relationship. In hindsight Adamov was probably feeling pressure that the law enforcement organs were moving in on him. I mentioned previously he was subsequently charged with diverting some of these funds. But after the Denver conference there was a good bit of rebuilding to do with the relationship. I think the Secretary counted a great deal on his personal relationships and he could see that it was not working with Adamov because personal relationships did not mean anything to the Russian at all.

Q: What was your reading of Adamov?

MALLOY: He was coldly calculating, very, very cynical and had no warmth or respect for the United States at all. He was not going to give a sliver more than he needed to. And I think what struck a lot of us when we were dealing with the Russians in this time period was there was very little relaxation. I mean, the American side was trying to move past the Cold War to become productive partners; there was none of that on the Russian side. And looking back now I think they had been through enough twists and turns in Russian-Soviet-Russian history to know that the pendulum would swing back and they did not want to be caught out when it did. There was a danger in being somebody who had gotten too chummy with the U.S. side. So there was very much of a reserve there and the Americans were frustrated with that.

Q: Well, speaking of, I won't say pendulums but change is- this is sort of, in a way your closest look at a cabinet member of an administration that's coming to an end. You didn't

know whether it would be Gore or Bush who was coming in but the point being did you have the feeling that the operation, modus operandi was one of almost feverish attempts to do something?

MALLOY: I think that was normal at the end of every administration and indeed that was the case here. There was a desire to create a legacy, to mold the way people would look back at the Clinton Administration, and also the dynamic at this time was that clearly Vice President Gore would be the Democrat candidate. I don't think there was any doubt in anybody's mind but there was a great debate over who would be his vice president. Bill Clinton had a very close relationship with Bill Richardson and I believe Bill Richardson, quite rightly at that time, thought that he was a potential vice president. He had a huge constituency amongst Hispanics, being himself a native Spanish speaker, his mother was Hispanic, his outreach to the entire Hispanic world, he was the point person at this stage of the energy crisis in getting countries outside of OPEC (Organization of the Oil Producing Countries) to increase production to keep prices down. So he would be in Venezuela on a regular basis. So that had to be part of it, keeping up his credentials and doing right by the party. He wanted to put his time into crafting something with the Russians and towards the end that became clearer and clearer.

And we were also in the end game for Chernobyl at this point. The Administration was desperately seeking a cabinet level officer to go and represent the U.S. Government at the ceremonies for the closure of Chernobyl. Secretary Richardson did not want to go. He really disliked, and I don't blame him at all, the, what we call, "potted plant" events, where his role was just to go and be there. There was no substantive work to be done, it was just attending group ceremonies and that really was not his thing. He did not want to go even though Department of Energy had put a huge amount of resources and technical expertise into assisting the Ukrainians. He simply did not want to go. And so for months and months the NSC would call me and press me, and they would call Ernie Moniz (number three at DOE), and they would call the number two, T. J. Gauthier to press and press; they really wanted Richardson to go. We were trying to find someone else who could fill the bill because he did not want to go. He eventually agreed to go if he could tie it into a trip to Moscow or meet Adamov somewhere else, like Vienna, where they would meet from time to time, especially when the IAEA was in session. I checked and during the time period of the Chernobyl ceremonies Adamov was unavailable. There was some big conference somewhere, I forget where, some other part of the world, and it was even in the Russian press that Adamov would be attending this other event. I had our DOE officer at Embassy Moscow call over and check on Adamov's availability and we were told he would be out of the country, unavailable. So there was no way for Secretary Richardson to make this stop in Moscow or Vienna either on the way to or back from Chernobyl and he was not happy about that.

But eventually he did agree to do the Chernobyl closing ceremony. We had a small delegation plane and there were other people from the Nuclear Regulatory Commission going so there was no room for me on the plane, which was fine. I flew commercial to Kiev and was flying back commercial. When we got there, we were at the Ambassador's residence and the Secretary asked me to arrange a phone call to Moscow; he wanted to

talk to Adamov, one last check to see if there was any way that Adamov would be there so that we could re-jigger our travel plans and stop there on the way back. We arranged the call but could not get through right away. The call came through, I guess when Secretary Richardson was in the Ambassador's limo, we were en route to one of the events, and I was in a follow car. He had the car stop and he asked Ambassador, it was Carlos Pascual, to go back and pull me out of this staff van so I could be in the car with him while he talked to Adamov, which Carlos did. While we were waiting to be connected Carlos was standing there at the open door and he and I were talking while Richardson was holding on the phone. The Secretary got very irritated and leaned over across me and slammed the car door shut, slamming the Ambassador out of his own limousine, leaving the Ambassador standing on the side of the road, which of course was not good protocol. I didn't understand what the problem was. But anyway, he had a very brief conversation with Adamov who said that there was no way they could meet up. We went on to the reception that we were heading to and when we got there we ran into one of Adamov's deputies. Secretary Richardson and I were standing there and he walked up to Adamov's deputy and asked, "so where's your boss? The deputy smiled a huge smile, looked directly at me and said, "Oh, he's in Moscow." And Richardson looks at me with a look that would kill and said that he had been given to understand that Adamov was supposed to be at such and such a conference away from Moscow. The deputy replied that no, he had never had plans to go to that conference. And Richardson looked at me and that right there was the end of our professional relationship. It turned out, unbeknownst to me, that he felt that I was, on behalf of the State Department, trying to keep him from seeing Adamov one last time. And that was why he had shut the car door on the Ambassador; he didn't want the Ambassador to know that he was talking to Moscow or that he was trying to go there, because he felt that the State Department for some reason didn't want him to be there.

Q: You know, I mean, maybe in the cool of the morning in 2009 it sounds like, you know, paranoia in the Byzantine court or something like that.

MALLOY: It's more that I'm a Foreign Service officer which you were too, a permanent employee. We serve whoever is the master. It would never occur to me to fight against the will of the current Administration. However, bearing in mind what Bill Richardson had been dealing with for the preceding years at the Department of Energy where there was a culture of stymieing the political appointees, I can see perhaps where he was coming from.

Anyway. I was surprised that the next day when they were flying out the chief of staff came to me and said that there was now an opening on the plane flying back to Washington and asked if I would like to fly back with the Secretary, which of course was a great honor, rather than flying commercial. And I explained that I had been asked to work some visa issues at the embassy and therefore I had to stay and do that. And in hindsight I'm really glad because I'm sure I would have had a most miserable flight all the way back. I subsequently got back and the Secretary stopped speaking with me, at all, on anything after this, and it was really uncomfortable for a few months until finally I found out what the deal was. He was hoping for one last discussion with Adamov and

actually had someone else planning the meeting in Vienna. Towards the end, for some reason, he decided to start engaging me on that trip, I assume because this other person didn't have anything normally to do with Russia and there were some problems. Subsequently invited me to go along with him on the trip but there was no rapport between us at all; we were just playing out our time until the end of the Administration at this point. It was an eye opener to me because I had never been involved in politics and there was a lot going on right then in the Secretary's life and he- it was pretty clear he was not going to get the vice president slot, I have no idea why. Many people felt that the problems at DOE with Wen Ho Lee's arrest and security at the weapons sites and all this was being held against him, which would have been completely unfair because they all predated his time at DOE but politically that doesn't matter. So he was not a happy camper. It wasn't the end of my world if he no longer felt that I was representing his interests. In my mind I was always representing the interests of the United States Government and I didn't see any gap between those two.

Anyway, we ended up on a professional, perfectly polite, pleasant level when he got back from the last Vienna meeting, where we were not able to close the deal with Adamov – Adamov at that point clearly had decided that it was in his interest to wait to see what the next Administration would bring; he was hoping for a better deal.

Q: Which I'm sure didn't happen under the Bush Administration.

MALLOY: Well, you know, they were gambling on Gore who already had very strong climate change and environmental inclinations. If I was reading tea leaves I would say that it would have been more likely that a Gore Administration would go for a geologic repository than a Bush Administration but who knew at that point.

So the last few months at DOE not a whole lot go done. We were in that tailspin when nobody can make commitments and after the election, of course, we got caught up in the months of uncertainty with the recount in Florida and it was very, very painful. So the Schedule C political appointees at DOE were under intense pressure to go and help in Florida. Not during working hours, that would have been inappropriate, but using their annual leave and their own expense to go down and help out and that- I felt for them because that must have been a real quandary, because if they did that and Gore won they would have some hope of having work afterwards; if they did that and Gore lost they would have used up their entire cushion. And the other thing I was not used to was the pain of mid-level Schedule Cs who were just plain out of work, period, when an Administration changed. I hadn't seen up close that kind of panic because people were supporting families. So it was a tough time period.

Q: Well did you also find, you might say, the professional staff which you said was not one that really wanted to share was sort of taking advantage of the situation and shutting down their lines of communication?

MALLOY: Well there weren't lines of communication to begin with; it wasn't a matter of shutting it down. In reviewing my notes some of the more fascinating things are in my

cryptic comments on the back pages, which were usually written when I was sitting in a meeting and chatting with the person next to me. One of the notes said, "I can't believe they held this meeting and never even told me about it, I just found out about it by chance." That was very typical of things throughout the whole time period. But what happened in the last few months was that if the Secretary was not traveling somewhere or meeting with somebody I did not have the ability to reach in to the bureaus to pull material out and to interact with people as much, so my ability to ferret out what was going on became very limited in this time period.

Anyway, a point came when it was clear that the Supreme Court ruled that Vice President Gore was not going to become president, George Bush was, and even though I was scheduled to stay at DOE until March or April of the following year I decided that when Secretary Richardson left in January I would leave as well. I did not see any point for me to spend a couple months in that interim period when nothing would get done. So that was the point where I got in touch with the Director General over at State, Marc Grossman, and said that it looked like I had a gap between my onward assignment and was there anything constructive I could do for him.

But before we leave DOE I just want to go back and mention a couple other things that I did that were interesting. The Secretary was invited to go down to the Carter Center for a small, small as in 20 people, meeting being organized by the Middle Powers Group on the non-proliferation treaty. The Middle Powers Group was a group of countries such as Australia, Canada, Argentina, First World countries with a strong interest in nonproliferation but they were not UN Security Council permanent members, they were not themselves nuclear weapons states. Brazil I would put in this category. Michael Douglas and Jane Fonda had signed on-

Q: These are two movie stars.

MALLOY: Yes, movie stars.

Q: With left wing political leanings.

MALLOY: Yes. And they had made a movie together; "China Syndrome" was it?

Q: Was this-

MALLOY: The nuclear power plant meltdown.

Q: Oh yes, "China Syndrome."

MALLOY: "China Syndrome" many, many years ago and so they had developed an interest in this subject. So that was the pull; they were the carrot to get people to agree to go to this meeting and President Carter would be chairing it. There were a lot of reasons why this would be a very good session for Secretary Richardson to attend. He was not thrilled about it. It was in January and he had to go the day before up to New York City

to do something. I was not on the New York trip but I had done the prep work for him to go to the NPT (Nuclear Non-Proliferation Treaty) session in Georgia. I got a phone call the night before saying that the Secretary was snowed in New York and so would I please get on a plane and fly down and take his place at this session, which I dutifully did. However, you know, I can't say that they were thrilled to get me instead of the Secretary. This group was really hoping to get him to be a voice in the ongoing policy debate within the U.S. Government on how to approach the NPT. But it was fascinating for me to participate in the session. I knew that the U.S. Government was not going to come out anywhere near where these people wanted and indeed we didn't on that, unfortunately.

The other trip that was noteworthy was one I with Dr. Ernie Moniz, who was number three at DOE. The Russians under Nuclear Cities Initiative were very interested in getting business investment in some of the old weapons complex facilities. We were invited to go out to Zheleznogorsk, which literally means "the iron mountain," way out in Siberia, in one of these remote areas where the Soviets had built a series of nuclear reactors. The reactors' power provided electricity, hot water and heat for the entire town. So if you shut down these old reactors you would have to relocate all the people; there was no other way to keep them warm. The ministry for atomic energy felt that instead of doing that that they could find investments and build high tech equipment or computer chips to do something with all these facilities. So we went out there to look at this Cold War legacy complex. It had been built during the Cold War inside an iron mountain; literally they hollowed out the mountain and created spaces for the reactors and storage and a whole series of railroads to connect them. It was just bizarre. I mean, it would have made a wonderful movie set. And there were laboratories as well. I probably would have remembered more except we had to fly two consecutive overnight flights to get there, and this was all calculated; we flew from Washington to Moscow all night, we landed in the morning and we had meetings all day in Moscow and then we flew all that second night out to Siberia and then we drove hours to reach the site. So by the time we got to this place we were all virtually catatonic. So there was not a whole lot we could remember. I just remember Ernie Moniz dutifully being one of the few people who managed to keep his eyes open through all the meetings there while the rest of us were just falling asleep at the table. But it just was a fascinating site. I would love to go back at some point.

I also got out to the U.S. national labs at Los Alamos and Sandia. One of the things that they showed us out there that was fascinating was a demonstration of nanotechnology, making machines at such a tiny level that you would need a microscope to see the machine. There would be all sorts of civilian applications to this technology. It could be used for time release medication in your blood stream, for example. Just fascinating work and again, something that the Russians were very interested in as well and a possible cooperative point.

The last two major trips; one was the last Clinton-Putin summit in Moscow. Secretary Richardson went along on that and I went with him, along with a number of other DOE staffers. Again, there was the hope that maybe, maybe at this high level we could come to closure and sign some documents and reach agreements. Unfortunately, that did not happen there either. It was too late at this point. The Secretary had a number of good

meetings there with his counterparts but it was more of a farewell on their part; the Russians were not going to engage seriously.

And finally, as part of looking ahead and trying to document what had been done during the Clinton Administration and what remained to be done, the Secretary asked that the advisory board for Department of Energy pull together a special board to look at DOE's programs with Russia. Lloyd Cutler and Howard Baker agreed to be co-chairs and it was a very high powered group of people, including some technical people who were very well known and a number of political people. My job was to help keep them on track and also I was one of the people that helped escort them on their travel when they went to look at sites in Russia. I also helped edit their report. The report actually was a very, very good one. It charted the way forward and became a bit of a legacy for all the work that had been done in these programs by the Clinton Administration. So I was very proud of that.

Other things that I did while I was there was work with a number of NGOs; I worked with Graham Allison and Matt Bunn on a report that CSIS (Center for Strategic and International Studies) put out on managing the global nuclear materials threat. That was another document that I think got a lot of readership.

I spent a lot of time on non-Russia things as well; well, not a lot. I spent time on the margins. I would not want to imply it took me away from my work but I set up a model UN program at DOE for the DC high schools that could feed into the State Department Model UN program. This ran for the two years I was at DOE. I organized a holiday party at Martha's Table, which is a shelter that runs a pre-school and soup kitchen up in Northwest Washington, and WIIS, Women in International Security, asked me to join their advisory board in this time period. On the margins, wherever I could, I was trying to do some other things.

Now, you had asked me before to talk about Kosovo following me to DOE. When I left State I was DAS for East European countries, the Bureau of European Affairs. I had only been at DOE for a couple weeks when I got a call from the Secretary's office to come up to see him. He told me that the Serbian chargé had made contact with him. At some point previously Bill Richardson had met Milosevic; I don't remember the context but they had met, and Milosevic had instructed his chargé to ask Bill Richardson to come to Belgrade to mediate between the sides. In other words to prevent the U.S. or NATO from taking any kind of military action. Richardson wanted to talk about that and I was pretty frank with him. I explained to him everything that had gone on back at the our embassy in Serbia and the White House and DOD before I left EUR so that he knew the context that he would be stepping into. I told him that, in my opinion, Milosevic was just trying to muddy the waters and just trying to delay the inevitable and make the U.S. side look like it was fractured. I suggested that whatever he did he needed to speak with the NSC first. He must have so because he ended up deciding not to go Serbia. Had he felt that he could actually do something positive he would have gone but I assume that once he saw that his going would only make things more difficult for the President he backed off from it.

Q: To put it in context, he had played a role as a member of Congress going to North Korea so this would not have been- this wasn't sort of I- I mean, he was a person of some renown for being able to help settle difficulties.

MALLOY: Absolutely. And he had also played that role in Africa; he had negotiated the release of a number of people. So, he was somebody the North Koreans kept reaching out to, as happened during the recent impasse there. I was a little disturbed that this thing had followed me from one job to the other. Also, I was on the DOE side where people came to me and said they had concerns about the reactor at Vinca that could possibly be hit if there was bombing around Belgrade. So we reached out to the State Department to make sure that they had all the coordinates and knew exactly where it was. Subsequently when IAEA staff visited Vinca they were really disturbed about how poorly the nuclear material was being stored there. IAEA asked if DOE could help repatriate it to Russia. So I was involved in working with the Russians to get them to agree to take back this material. Throughout my time there Kosovo and Serbia just kept popping up and popping up, as did Kyrgyzstan.

I, of course, at this stage was negotiating my onward assignment because, as you know, it takes about a year in advance; you start bidding. And because I had moved off cycle I ended up extending at DOE to try and get myself back into the summer cycle, which was when most of the best jobs opened up. So Jim Collins was our Ambassador in Moscow and he had talked to me about possibly coming out and being his DCM. I bid on that job and was hoping that the D Committee would select me. Having done many tours in Moscow that was my ultimate dream job. It was really heavy lifting though to convince my family to go back yet again. But finally my family was lined up, they were in agreement, I submitted the bid. The D Committee was supposed to meet but it kept being postponed and pushed off because all of a sudden the Administration was putting a new ambassador in Moscow. They had not yet decided who and, of course, you don't want to assign a DCM until the ambassador's there because that relationship is very important. So they did not pick a DCM for months and I was out there very late in the game, hanging there, without an assignment. The Russia desk kept encouraging me to hang in there and hang in there because they hoped that I would get the job.

In the midst of this I got a phone call from an old A-100 classmate (somebody who had come into the Foreign Service with me) and he asked me if my bid on the job in Sydney, consul general in Sydney, was a real one. And I was about to facetiously say, "oh no, that was a throwaway," when I said yes, it was a real one, but I never expected to get it because I had no credentials in the bureau of East Asian- Pacific Affairs. Consul General Sydney is quite a plum job and there was a track record of it going to senior management cone officers so it was one of my throwaway bids; my whole bid list was constructed to send me to Moscow. I was told that the Ambassador in Canberra had looked at everybody, all the EAP candidates and did not see anybody that he thought was right so they were casting a wider net. He asked if I would be interested in interviewing with Skip Gnehm, the Ambassador so I said sure. I had to do that by telephone, obviously, because he was in Australia and I was in the United States. We had a good conversation, perfectly fine, but I was not counting on this. But it was getting a little nerve wracking at this point

because it was so late in the game and I was concerned that I would end up out in the cold without either of these two jobs.

One day I came back to my office at DOE and my voice mail light was flashing. I turned it on to find a phone message from Marc Grossman, Tony Wayne and Kristie Kenney, I believe it was, and they were singing Waltzing Matilda to me on the telephone. At the end of this- just the first verse- they said, "congratulations, you're going to Sydney." They had meant to call and tell me in person but I was not in my office so they left me this message. The D Committee had picked me for Sydney and, as you know, that- you are not paneled right away by the D Committee. So I went home and told my family, good news/bad news. They were thrilled to be going to Australia rather than Moscow and we engaged in all the discussions related to coping with the disruption of my daughter's school year - you have to decide whether you put your child back a year or forward a year - how do you cope with all these things. We had just gotten a dog and the Australians have this horrific quarantine so we had to deal with that. So it was quite a scramble and we spent a couple months coming to grips with this, even though I had not actually been assigned. Then, out of the blue, the Russian desk came back to me saying okay, they were ready to move forward to the D Committee and they wanted me to go to Moscow as their candidate for DCM. And Sandy Vershbow was going to be the new Ambassador. I had tremendous respect for and would love to work for Sandy but what was strange was that he had never contacted me. I had not heard a word from him and found it very hard to believe that he wanted me to come and work for him and yet had never made contact with me. This had to be resolved one way or the other.

So I asked for an appointment to call on Sandy Vershbow.

Q: He was in Washington.

MALLOY: He was in Washington, yes. I just needed this to go one way or another because when I raised the issue again with my family, you can imagine that if it was hard to get them to agree to go back to Moscow before the Sydney job came up, the second time, now that we were taking Australia out of the picture and going back, was even harder, and yet between the two I would far rather go to Moscow. Substantively it was a much better job. I was not really looking for a retirement tour, which is what I thought Australia would be.

So I got an appointment with Sandy Vershbow, I was asked to wait because he was on the telephone, and then he walked out of the office and said, "I know why you're here but you don't need to worry, I've decided to go in a different direction so you're free to go off to Australia," and walked past me and out the door. That was the end of that. And it turned out that he really, really wanted another officer but that officer was not available for a year. They were trying to figure out how to fill that year gap and my instinct was right; had he wanted me to be his DCM he would have gotten in touch with me, so it was more that the institution wanted me than the ambassador. And that's fair. I mean, it is a relationship where you have to work together-

Q: It's like a marriage. I mean, you know, arranged marriages-

MALLOY: Sometimes work.

Q: Sometimes work but often work less in the DCM and ambassadorship than a husband and wife relationship.

MALLOY: Well they did find somebody to fill the job for a year, who did a great job, and then Ambassador Vershbow's preferred DCM came in, who was absolutely brilliant and did a great job, and is today our Ambassador to Russia.

Q: Who's that?

MALLOY: John Beyrle. So it all worked out for the system and I went off to Australia, and my family felt, my husband felt a little worried that I was going to be bored out of my mind in Australia. And there was that potential but I was determined to have a good tour and to do a good job.

Let me see. So what I did at this point- I mentioned earlier that I decided I was going to leave DOE in late January rather than leave in the spring because I just didn't see any point in sitting through a transition period over there. I wanted to actually do something. So Marc Grossman said sure; they expected that Secretary Powell would be able to get approval from the Administration and funding from the Hill for an expanded intake of Foreign Service officers. That he had made the case that they needed to have a training float, that, as most people probably do not realize, every time a Foreign Service officer goes into, let's say, a year of language training, that means that some job somewhere sits empty for a year. We can only have as many Foreign Service officers as we have jobs. The Foreign Service has never had a built in float to cover the time lost between home leave, language training and other commitments. They expected it to be a couple hundred officers a year on top of our normal intake to replace attrition, those officers who left the State Department. What he wanted me to do was to look at the whole system from the way we recruited people, the way we tested them, the way we did the oral examinations, the way we handled the candidates in that interim period when they had been put on the register but not yet called up for service, and right through the A-100 new officer classes, to see how we could enhance this process for a very quick, rapid expansion. I was to look at the bottlenecks and how we would work around them. It was a fascinating project because it was so positive and very much what all of us had wanted to happen. And I was not burdened with day to day responsibilities for making the widgets on the production line. In other words I was totally at- it was my own initiative to do this.

I was housed in the office of recruitment and examination, which was then run by Rosie Hansen. She was wonderful and her people were wonderful and I spent the first month or so just learning what they all did. I had not had exposure to this process so I went around with my little notepad and interviewed all sorts of people at every different level in an effort to learn what worked, what did not work, why things took such a long time, did they really take such a long time or was that just a perception? I ended up dealing with

the vendors for computer software systems that were already in the works to automate some of these processes, reviewed some experiments that State had tried in the past with the mid-level program to see why they had not worked, and whether they should be a part of the mix. And I spent a good deal of time at FSI looking- the Foreign Service Institute- looking at how we had handled intake classes and asking what they would do if suddenly they had much larger classes.

As a result of this work I "ghostwrote" a memo from the Director General to the Secretary, basically saying here's the deal; this is what we're faced with, this is what we would need to do to change our perception out there in the general community, the way we recruit, how we attract people from minority groups. I actually conducted focus groups with a number of different representatives of minorities and had them tell us what we needed to do with our advertising campaign to convey the message that we truly did mean what we were saying, that we wanted the face of the Foreign Service to be more reflective of the population of the United States. I put this all in the memo, costed it out and that memo eventually became the basis for the Diplomatic Readiness Initiative. So I had a great six months. I really enjoyed doing it.

I handed my memo and the whole project over to another officer who then set up the actual office of Diplomatic Readiness and carried out these changes plus many more. We met for awhile and he said to me that my plan was "the best crop of low hanging fruit" he had ever been handed in an assignment. He went on and got an award for his implementation of the Diplomatic Readiness Plan.

Q: Well let's talk a bit about some of this. In the first place, one of the things that has struck me, watched our recruitment thing for years; we've been talking about going after minorities and minorities were basically inferred if not defined as being African American, and yet the Hispanic percentage of the minority population has increased over the African American thing. I mean, was this looking at Hispanics or was this-

MALLOY: Oh absolutely. Minorities would include African-American, Hispanic-American, Asian-American and Native American. The toughest of all was Native Americans, the smallest representation. And that I did not have any really good ideas for them because I was told that Native Americans regard the United States Government as a separate government. In other words under the treaties they are their own nation.

Q: Yes, the Navajo Nation.

MALLOY: So why should they represent the U.S. Government? A very, very tough- But the work of this recruitment office was just as focused on Hispanic candidates as it was on African-American. Indeed if you look at where we have diplomats in residence they are intentionally based at campuses with large minority populations. Out in California, for instance, where they are large numbers of Hispanic students. What we were looking at was not only our generalist officers but our specialists as well. The question was whether we should change our outreach to target schools where we would be most likely to bring

in people representing these minority groups. Students at Harvard and Yale know how to find us.

Q: Yes.

MALLOY: And what we needed to do was work down in Texas and Southern California and places like that. So while this recruitment office was already doing some of this, they were lacking the resources to get out there and do it as much as they needed to. They had very little travel money so it was hard for them to, for instance, travel to the West Coast and conduct oral interviews for specialists. That meant they were pretty much restricted to interviewing people who had the means to come all the way to Washington. Well, that right there was a problem.

We spent a lot of time in the focus groups, too, asking their opinion of our website, at our print magazine ads and at the different ways we were reaching out to people. We wanted to know what these said to them? And from the African-American community the message was it was not enough to have a picture with an African-American officer in it; we needed to have that person in a prominent position. And they said to us, "you have the best recruiting tool you could possibly imagine with Secretary Powell. You need to have him out front saying I want you." That is what was done in the end.

We also looked at the issue of why we were having trouble reaching out to a lot of the younger candidates, the new generation and the feedback we got was that our technology was too archaic. Why would they ever want to come work someplace like that. So we had a great debate about whether we should insert video streaming into our recruitment web site because video streaming was not yet used at State. And in the end the suggestion was go ahead and do it because that was a signal that we were trying to attract that kind of tech savvy person.

Q: For somebody- I'm sure the terms are going to change, what is video streaming?

MALLOY: Well that is when you can go to the website and click on something and get an actual video as opposed to a still photo.

So we did a lot of things but the bottom line was minority recruiting was more than just attracting African-Americans and there were different ways to go at it. They have the summer intern program. They work very hard to target that at minorities, especially the paid positions. Then there is the diplomat in residence program that I mentioned. And then there is the outreach programs where we were getting Foreign Service officers to go out to their home towns and to encourage people to become more involved in foreign affairs, model UN programs, etc. So these were all programs used to target minorities.

But the main job that I had was conceptualizing this new approach, how we could push this elephant through the system without causing the system to crash? The only thing that did not get picked up on from my recommendations was the step beyond the A-100 training. We did look at what to do you with all these extra bodies because for the first

time ever the Department would have more bodies than jobs. They did take mid-level jobs overseas and pulled them down to entry level so they would have places to put these people, where they could get experience. And they did break the barrier on assigning first-tour officers to Washington because they had to put these people somewhere. But what they did not do was look ahead to the mid-level and aggressively train mid-level management to understand the needs of all these new people. These new recruits were answering the Secretary's call to serve their country after September 11. Many of these people were motivated by patriotism to come into the Department and to use diplomacy to prevent tragedies like September 11 in the future. So there was a potential for collision between generations down the road, which was something that I did indeed see years later as an inspector. But this six month period I found fascinating and I really enjoyed it.

Q: Did you get a look at sort of the American educational system, universities and particularly since you're getting away from the Harvards and Yales and that sort of thing, did you find this a good cadre of well educated people coming out of schools like West Texas? I don't know if there is a West Texas Teachers or something.

MALLOY: Absolutely. Absolutely. The reality is you learn what you need on the job in the Foreign Service. You need basic strong command of the English language. You need an open and flexible inquiring mind. But whether you have graduated from Yale or you have graduated from West Texas with- I don't mean to slur West Texas-

Q: No but I mean I'm just using that as a made up-

MALLOY: We have ambassadors who came from, for instance Bill Courtney graduated from West Virginia University.

Q: Well Jim Collins was running the tractor day six on his family farm, you know.

MALLOY: Yes. There is no magic formula out there. Those people bring a whole different sense of geographic diversity, which was another goal of the Foreign Service.

Q: I've been doing this now for almost 25 years and certainly the diversity of people coming in to the Foreign Service and their experiences which we go into when one can examine from looking at transcripts of these oral histories is really astounding. And it boils down to most of your education is done by yourself anyway. And it depends, you know, on your mindset, are you interested.

MALLOY: Yes. And your peers. And there is also, here I am showing my bias, there are some incredibly intelligent people who come into the Foreign Service and they have the ability to research and analyze but they are not able to produce, they are not pragmatic. They enjoy the debate, the Socratic approach, the intellectual stimulation but in today's Foreign Service when you have to run a refugee program, run a de-mining program, run a counter narcotics program, you have to come to closure. And so a lot of people that come into the Service from outside the Ivy League are much more adept at that.

Q: Well I've found- my background is consular and in consular business there's a pad of papers on your desk and that has to be gone by the end of the day. I mean, that's just a fact of life. And I enjoyed it very much. And I found when I'd been at a mid-career seminar and other sort of seminars, there's an awful lot of, you can say debate about such things but do you fire the person or not, you know? What do you do? And you get impatient because well, the hell of it, you just do it.

MALLOY: Yes. Well, you must be a "J" on Myers Briggs.

Q: Yes.

MALLOY: Yes. Me too. And the thing is the Foreign Service needs all these different types. If you are going to work in the Bureau of Intelligence and Research you want to be somebody who loves the debate, the facts, the details, all that. But if you are going to be in a programmatic function you need a slightly different personality. And that is what we get. Diversity means a lot of different things.

Some people think that the Department is attempting- when we say we want the Foreign Service to reflect the diversity of America, that is absolutely true. But then you get into debates as to well, what does that mean? Does that mean that we must have sort of assigned quotas at every post around the world? Each post should be a small little microcosm of what the Foreign Service- the U.S.A. looks like or does that mean we should open the opportunities? And I have had a lot of debates over the years on this. What the Office of Recruitment will tell you is they want the percentage of people taking the Foreign Service entrance exams to approach as closely as it can the percentage of that ethnic group in the United States. So let us say if Hispanics are 20 percent of the population of the United States then hopefully 20 percent of the people taking the exam would be Hispanic. Once you get in, in theory, if you believe the system is blind to your ethnicity or your sex, everybody has the same opportunities. The task is to get the people to take the exam and end up with an examination process that does not discriminate against any particular group. So that is why I found this to be a real eye opener.

I was also asked to participate on a performance review board during this time period. I had never been on any kind of board, so that was very interesting.

Q: Is this promotion panel?

MALLOY: No, a performance review board is the board that has to look at people who have been low ranked, and possibly will be asked to leave the Service.

Q: Oh yes, I was on one of those, yes.

MALLOY: So not a happy board. But everybody needs to be on a board. Promotion boards, obviously, would be much more uplifting in some ways but I was always asked to do that when I was unable to be on them or I was overseas and I volunteered but, you know, they have very little funding to bring people back so I was not able to do that.

So I wrap this up and at this point Marc Grossman was going from being Director General to being Undersecretary for Political Affairs. He leaves the DG's office and I head off to Australia and I had no EER, Employee Evaluation Report, for this six month period. I should not have allowed that to happen because I had a gap in my performance record. It also meant that there was nothing in my performance record that indicated that I had done this work. So it just looked like a blank six months. So in hindsight that was a big mistake but Marc was way too busy in his new job for me to ask him to do an evaluation report and my mind was set on getting out of town. There was a little bit of a delay; I was supposed to leave in June or July but it appeared that my predecessor did not want to leave Sydney so my departure kept being delayed. It was not considered good form to show up when your predecessor was still sitting- occupying the house. So it dragged on a bit longer than I expected.

During this period Kyrgyzstan once again called to me. I, in my three years in Kyrgyzstan, had hired a music teacher for my young daughter, a piano teacher. And I may have mentioned this to you before, the teacher did not speak English so she brought along her daughter, who spoke English and also played piano. So for three years I interacted with this young lady and her mother. Then all these years later out of the blue I got a phone call from mutual acquaintances saying that this young lady had disappeared. She, through a mail order bride program, had married an American out on the West Coast. She had a lot of trouble and wanted to leave him and actually went home to her parents in Kyrgyzstan. He flew to Kyrgyzstan and insisted that she return to the United States with him to try one more time. She had promised to call her mother as soon as she landed back in Washington State but her mother never heard from her again. Her parents called the husband, but he told them that she had run away when their plane stopped to refuel in Moscow. He insisted that she never returned to Washington.

He was counting on the fact that nobody would care about this young Russian girl from Kyrgyzstan, which is why these people called me. They were hoping that I would be able to get the authorities in Washington State to look for her. I spoke with the police there and this was just, you know, one of many missing person cases and the husband had not filed a missing person report so they were not terrifically interested. But we hooked them up with Immigration, U.S. Immigration, and U.S. Immigration reviewed their records and were able to document that she had indeed entered the United States the same day as her husband. So at least the police knew that she physically had returned to the United States. The police wanted to bring her parents from Kyrgyzstan to help them in their investigation and they asked if I would be willing to travel to Washington State to interpret for the parents. They wanted somebody they knew to be there so they would be more comfortable.

We made all the arrangements. Unfortunately, before the parents actually landed in the United States the police, based on a tip, found her body. She had been buried- the husband had murdered her and buried her in a shallow grave out in a national park. And it was a horrific case. So by the time the parents landed they knew their daughter was already dead. This was their only child and it was absolutely heart breaking. I spent a

week out there. They held the funeral. They were Russian Orthodox; they do not believe in cremation. They wanted to bring their daughter home but because of the decomposition of the body there was no way they could bring her home so I had to explain to them they could either take home her cremated ashes or we could arrange to bury her locally. That is what we did, through friends, somebody donated a burial plot and-

Q: Orthodox plot- I mean burial.

MALLOY: Russian Orthodox.

Q: That's Russian Orthodox Church.

MALLOY: Yes. What we did not understand was that they were determined to remain with their daughter. So if the daughter was going to be buried there they refused to leave, and indeed, they are still there after all these years. The case became a poster case for TIP, trafficking in persons. Many people felt that the mail order bride program allowed the American spouse to abuse these women. Once they married the American they had to stay married for two full years. If they left before that they would not get permanent residency status, they would be in limbo. She was coming up to her two years and he knew she was going to leave him. It turned out that she was just the latest of multiple mail order brides that he had had, all of which had left him. He had been physically abusive and was charged with abusing at least one of the others. The legislation that came out of this case said that the mail order bride companies must disclose to these perspective brides whether the prospective spouse has a criminal record. You might be surprised to find out that they found this to be terribly wrong. Many of the brides said they did not want to know. They were so desperate to get U.S. citizenship, and this young lady was doing this to sponsor her parents and get them out of Kyrgyzstan, so it was quite a tragedy. But they, her parents, are still there in Washington State. The legislation provided some form of relief for people who were in the United States to testify in criminal trials in relation to trafficking in persons and so the parents benefited from that. But it was an absolutely heart breaking case.

Q: You know, you were mentioning something I thought, since everyone's going to want to get off on discussions here, you know, our idea that we should have diversity within our embassies and all. My experience is that, for the other countries where we're serving, at least diversity amounts to a hill of beans. I mean, the other people looking at it, it's us doing it for our own thing. I mean, I can recall in Korea having, in the consular section, somebody was born in Lithuania, whose mother was Croatian, her father's Serbian. An officer who served in the 442 regiment out of Hawaii, this great battalion in Italy. And we had an African American officer and just some others, you know. I mean, what greater thing, it didn't- The Koreans, you know, if you ain't Korean you're somebody else.

MALLOY: It really depends. Anecdotally people will tell me that if they were of a visible ethnic minority and they were serving on the visa line people would tell them that

they wanted to talk to a real American, not them. But I get that as a female. You know, I get people who say I want to speak to the man in charge.

Q: Skip his coffee and bring me the man.

MALLOY: Yes. So when that happened my staff would say, "I'm sorry but she is the man in charge". But where I think it is important is in countries that have their own ethnic minorities. There it can have a huge impact. Let's say Brazil. It can be inspiring and it can also be reassuring if you are a member of an ethnic minority to find that your visa application is being treated fairly. But you are right; it is primarily a U.S. domestic issue. We are determined to have policy made and actions carried out in a way that reflects on what America really is.

Q: Yes. I'm all for it. I'm just saying that the, you know, this appearance- But you know, you have- One of the examples, I don't know if you've got it but when I came into the Foreign Service it was always held up to me that the best Foreign Service in the world was the Brazilian one. And you know, I've talked to people who served in Brazil and worked and it and say well, up to a point these are extremely well trained but they're all recruited from almost within the ranks of their own Foreign Service- it's an elite, it has no, I mean, this may have changed, but it has no relation to the mix in Brazil.

MALLOY: Yes, I can see that.

Q: And also these are people who for the most part don't know Brazil very well because they all sort of grew up in the sort of little country club set and all. But, you know, very good legal minds and that-

MALLOY: Well that is the way the U.S. Foreign Service used to be.

Q: Yes.

MALLOY: I don't know. If the U.S. Foreign Service was different during the Holocaust would we have behaved differently? I mean, these are all valid questions. Nobody knows. But you look at the French. They have a highly competitive school that takes the very best and produces cookie cutter diplomats, this is what you get. So you have to wonder, do you end up with any diversity of opinions or views when you have that.

Okay, we're back on recording. And you're off to Sydney. You were in Sydney from when to when?

MALLOY: I arrived at the very end of August, 2001, and I left in late July, 2004.

Q: Okay.

MALLOY: So three years. And when I went out I was told that I should not bother to ask for an extension, not to even think about an extension, they did not care what grade in

school my child was at; nobody gets more than three years in Sydney. So I took them at their word.

Q: Well let's talk about when you went out there in 2001, Australia and Sydney in particular, how stood they, you know, from our interests and what was going on?

MALLOY: Well. The prime minister of Australia, Howard, was very conservative. I say small "c" conservative; that was not the name of the party over there. The party is the Liberal Party, which is the conservative party in Australia. It is a little confusing for us Americans. But he was very, very close philosophically to George Bush. As a matter of fact, Howard was in the United States on an official visit on September 11, 2001. So obviously when the Bush Administration took over in January of 2001 this was a pretty exciting time for the Howard administration. The United States and Australia have always been very, very close, and that goes all the way back to World War II, when the United States stepped in to fill the gap when British forces were in effect put out of action in that whole region by the Japanese in World War II. Australia felt threatened and indeed the Japanese bombed the- Darwin in the northern-

Q: And the Battle of the Coral Sea was considered by the- you know, it's sort of an obscure battle to Americans but for the, I'm told for the Australians, I mean it's considered-

MALLOY: It was huge. Well, to them that was the turning point, that was the point when the Japanese march south was stopped. And while you could argue that the United States and Australia lost that battle, I mean indeed, suffered tremendous losses, it did stop the incursions further to the south. When the U.S. forces had to pull out of the Philippines because of the Japanese MacArthur relocated his headquarters to Australia and worked out of Brisbane. The actual office that he worked out of is still there, and local groups have been trying to turn it into a museum for many years. He also had a set up in Sydney.

If you were of the World War II generation there was very, very strong feelings of respect and sympathy between Australians and Americans. However, the younger generations didn't pick up on that. So if you were, let's say you were in your 30s or under and even some people in their 40s, for some reason their parents and grandparents didn't pass this feeling on down. Our shared history was not part of the school curriculum so we were already seeing, the same as in Canada, in England and other countries, that there was the beginning of a serious gap where the young people in Australia liked American culture but didn't have any sense of the ties between the two countries.

I landed in what was the Australian fall and the first thing I discovered was that the consul general of the United States in Sydney had a protective security detail, assigned by the Australian government. This was the first time I had encountered that, with the exception of my visits into Tirana where I had a Navy SEAL detail guarding me but that was a very short period. This- Any time I left my hotel room, because initially we were in a hotel while some repairs were being done on the house, when I left my office I had to coordinate it in advance with a protective security detail. That was a bit disconcerting.

The population of Australia is quite diverse, like the United States it was a land of immigrants. It had had several successive waves of immigrants from the Middle East. There were a number of people of concern, as a matter of fact a Turkish attaché had been murdered in Sydney many years before and the Australian government was very sensitive about it.

Q: Was Tex Harris there before you or was in-?

MALLOY: Before me.

Q: Because I think he mentioned that the consulate general was attacked by Serbian immigrants. You know, your good old-

MALLOY: I don't know if it was Serbian or Croatian. But he- yes. There had been some different things. So I was not the only consul general under protective detail. The Israeli consul general, British, and it would vary, it would ebb and flow depending on short-term concerns that might come about. But it was terribly restrictive in those first few days.

We got into the house, had our household shipment delivered and it was just sitting in boxes all over the house when my phone rang in the middle of the night and I was told to get up and turn on the TV. It was actually September 12 in Sydney but September 11 in the United States. When I turned on the TV the first World Trade Center tower had already been hit, and as I was watching the TV the second one was hit. I stayed up all night watching as the two towers came down, trying to figure out what I needed to do. This was probably the worst case scenario of crisis management. I had only been at post a number of days. I did not even know, by name, my entire staff. I had not yet met my New South Wales counterparts nor had I met any of the federal level officials. We were just starting the process of introductory calls. My public affairs officer was in the United States at a conference; my ambassador was in the United States with the Australian prime minister on an official visit. I had not been down to the embassy in Canberra yet. And at the house, the residence that I had just moved into, there was not a shred of office equipment, files, telephone lists, absolutely nothing. It was all predicated on being able to go into the consulate. In light of the uncertainty and the fact that the U.S. consulate in Sydney was in leased commercial space up on the top floors of what was the World Trade Center of Sydney, my first decision was that the consulate should remain closed the following day. Nobody knew what was going on. I had one telephone, one commercial telephone line and I had one cell phone to communicate with the world. Washington shut down, State Department was evacuated. There was no way to get guidance so I decided that I was on my own. And my first decision was that we were not going into the office until I was able to get a security readout. So starting at about 5:00 in the morning I called the section chiefs, I had those phone numbers at least, and asked them to call each of their staff members to tell everybody to just stay home for the day and stay pat and we would communicate with them by telephone.

The second thing was I was getting floods of phone calls from Australian federal police, from New South Wales authorities and federal authorities, asking me what was going on;

they wanted information on Australian citizens in New York. It was absolutely crazy. I sat there for a good four or five hours, in my bathrobe with my husband handing me one phone and recharging the cell phone and handing me another phone and it was just a nightmare. And that very evening, the evening of the 12th, the Sydney authorities and New South Wales government decided they were going to hold a memorial service at the cathedral for- just for people to come and mark this tragedy.

Q: I'm sure Australians were killed when they- in the-

MALLOY: Oh yes. Over 90. Lots. Well you know, there were some- there were dual nationals, there were tourists, there were permanent residents, there were- I forget the exact number but it was quite large. And of course everybody who had a friend or relative in the United States that they could not reach they assumed they were in the World Trade Center. Everybody wanted a list of the casualties.

So I got a phone call saying that the governor, New South Wales governor which is- because Australia is part of Queen Elizabeth's realm they regard the head of state as Queen Elizabeth in London. Queen Elizabeth's representative is, for all of Australia, is the governor general and then each state, New South Wales being one, has a governor appointed by the Queen. So the governor was going to be the chief person at this event at the cathedral and they wanted me to be there. So my family and I got dressed and we were escorted by the police to this event. I knew virtually no one and no one knew much about me. At the ceremony there was of course TV cameras and that night on the TV news they announced that the new consul general for the United States was at the ceremony. The film footage then zoomed in on my husband, because of course, of course the man would be the consul general. My husband was not too thrilled about that. I thought that was very amusing and he asked why and I said well that way, you know, if there are terrorists out there they are going to be looking for you, not me, so it works fine with me. But, you know, this mistake by the media was understandable under the circumstances. The governor was a wonderful, wonderful woman as was her husband, they were very comforting.

The next day I got a phone call from public affairs at our embassy in Canberra telling me that somebody needed to get on national Australian television. The ambassador was in the United States and they wanted to know if would I do it. And my first query was, the DCM in Canberra, would not he be more appropriate? I was told that he would be more comfortable if I did it and besides, Sydney was the media capital of Australia, which it is. So my foreign service national press assistant, absolutely wonderful woman, came around with the car and escorted me off to the equivalent of "Good Morning America," Australian TV. My job was to reassure the Americans living in Australia that we were operating, we were there, and also to answer questions. It went just fine but from that point they started steering all media to me, as opposed to the embassy, so life became very difficult for about a 10 day period in terms of radio interviews, press-

Q: I would think there would be noses out of joint.

MALLOY: I would think there would be too but nobody in Canberra appeared to want to do it.

Now, the problem was that our ambassador could not get back because all flights were shut down.

Q: Yes, everything was grounded.

MALLOY: And we could not get the Prime Minister of Australia back and he very much needed to get back to Canberra. So finally it was brokered that the U.S. Vice President's plane would fly Prime Minister Howard and our ambassador and their spouses to Hawaii. They would be allowed even though all other planes were grounded. Our ambassador would tell the story of flying across the United States without a single plane anywhere except for the military escort. And then an Australian official plane was allowed to land in Hawaii to pick them up and bring them, and they landed at Sydney. I went out to the airport to meet them. I had met our new ambassador in Washington before that.

Q: Who was that?

MALLOY: Tom Schieffer is his name, and we had met when he was going through his training, charm school and all that, so it was not the first time I had met him but I had not seen him in months. I had normally expected I would go down and pay a call on him in due course in Canberra but this meeting was all by the seat of your pants. But I was very relieved to have him back because the media focus could shift to him, which indeed it did. He was very, very good with the media. But that first period when I was handling them I got much more exposure than I had expected. It also meant that people that I should have made courtesy calls on did not get to see me until well after this period and I felt bad about that. It was not a particularly good way to go about becoming known.

Within a couple days my public affairs officer was still not back; the poor thing was stuck. He could not get out of Washington. So his locally employed staff members were running this whole show and they did it brilliantly. They came to me and said that the Islamic community needed our help, that they were under extreme duress. Women were having veils ripped off in the streets, people were being abusive and there was a constant refrain in the media asking why did not the Australian Islamic groups make clear that they were opposed to terrorism and bombings. The Islamic leaders said the media would not talk to them or would not print their comments. They wanted to hold a large event where they could express their unhappiness, their grief, their condolences to me and the media would come and cover it. That would give them an opportunity to get their side into the press. I agreed, I mean there was no way not to agree. However I had numerous discussions with my security detail. They were very concerned because a number of groups, including the Palestinians, who had been very abusive in the past, were going to be there. We had to negotiate certain conditions, in particular we asked that they ensure control over their people so that this event did not turn into a shouting match or people throwing things or whatever.

So I went and on the way over I remember worrying about public speaking, never my favorite thing, and what I was going to say. Right before we arrived at the venue I realized that I had been more worried about public speaking than I was about somebody attacking me. I recalled a survey done in the United States which demonstrated that people fear public speaking more than death and I realized I had just proved it. I got out of the car, did the event. It started out with two young ladies, Lebanese, I believe, bringing me a bouquet of flowers. I put my arms around- took the flowers and put my arms around both of them and that picture was on the front page of the newspaper. The fact that I was willing to treat them warmly meant an awful lot to their community. Various people spoke, I was asked to speak and then we were all- this was in a school auditorium so there was hundreds of people- we were all to have tea towards the back of this large room. As we started toward the back, I was being led as the honored guest toward the tea table in the back, I heard over to one side a noisy disturbance. This was the group of young Palestinians who had showed up at the end of the event. They wanted to disrupt the meeting, and they were being, by their own groups, they were being pushed to the side. As if to distract me, I was steered to the far side of the auditorium, and they said, "oh look, we have gotten from the Internet a list of casualties in the World Trade Center and it's all posted there in alphabetical order." They wanted to show it to me. I went over and I stood there and naturally started at the beginning with As, Bs. I only got as far as the Bs because there I saw the name of my cousin. He had, unfortunately, died in the World Trade Center and I was- it was just totally unexpected because he did not work in the building. It turned out- he worked for Merrill Lynch and they had a breakfast meeting in the restaurant on the top floor and he was trapped. But I thought how bizarre. It was like my mind clicked off and then I said, "no, it's a fairly common name, it can't be him," and I went on and kept doing my job. We all made nice and the event did exactly what they had hoped, you know, they got their word out.

But out of that, when the ambassador came back we discussed the fact that in Australia the embassy and the consulates had never seen it as their role to have outreach to this particular segment of the community. We were so focused on the political parties and human rights or trafficking, as we were supposed to, but we had never, ever formally conducted outreach to the Muslim community. Most of the Moslem immigrants were based around the Sydney area; there was also a strong group in Melbourne. But when we talked about, for instance, doing an Iftar dinner, which is a dinner to mark the end of fasting during Ramadan. We explored trying to organize one for the Ambassador to host in Canberra; well, it turned out there were virtually no Muslims in Canberra except for diplomats, which was not exactly what the Ambassador had in mind. So it was decided that each of the consulates would host the Iftar dinners and the Ambassador would come and act as the host. So all of a sudden I needed to organize something that would be, from a protocol sense, extremely delicate. Needed to figure out the right people to invite, the right food to serve and the way the house would be set up. Part of an Iftar dinner is before you break your fast you must pray, you must wash, there must be separate facilities for men and women. So I went on a crash course of trying to find people to tell me how this could be done and how could we serve food that they would have confidence had been prepared in an appropriate manner. And in the end we decided we would get the food the same place they did. We catered an entire roasted lamb meal from a Halal caterer, sent

the car up there and brought the whole thing back. We made the soups and everything else. The people who came were really pleasantly surprised because they expected an American meal and what they got was a very appropriate Iftar meal with absolutely no alcohol.

We had separate washrooms for men and women, we set up a prayer room, we removed all the paintings that represented people from the walls because that would be offensive, and then, at the last minute a question arose -- who would do the call to prayer. We did not know who was going to show up and who would be the most senior guest. And so we got a tape recording of it, which I was not too happy with but- When they arrived I asked them, I said "look, could you do me a favor, amongst yourself decide who should do the call to prayer." They talked amongst themselves and they came back to me and said well generally it was the most senior guest but in reality they would like to have it done by the person with the best voice. So they elected one gentleman who had a lovely voice to sing the call to prayer and that took care of that problem. We never had to use the tape recording.

So the Ambassador was there for that first Iftar meal and he spoke a bit, telling the community he wanted to establish ties and relationships with them and wanted to have a dialogue. It turned out they had elected one person to respond and at this first meeting this gentleman was a bit strident. Not rude but very firm, that there was a great deal of history between the United States and these groups from the Middle East and they were less than pleased with the U.S. role and the United States was too close to Israel and closed its eyes to human rights and abuses. It was a bit tough but it was an honest- it was the beginning of an honest discussion.

Q: Well in many ways it's those things that diplomats tend to smooth things, nothing gets done.

MALLOY: Had to be done. These people took a risk even coming to my home for this dinner. And later one of them said to me that they had to make these remarks to the Ambassador, they had to go back to report to their own communities. We had reached out to the Pakistani community, the Egyptian, the Lebanese, the Bosnian, every different minority, ethnic minority, Indonesians, we had invited somebody from every Moslem group. They did not all come but the ones who came, for instance the Palestinians refused to send anybody, felt that they had to be credible, had to make these points. Out of this we had a group of interlocutors who did not represent the official Muslim organizations per se. There were Islamic organizations, one for men, one for women, but these had long since become talk fests who were really living off the gravy train of the New South Wales government. The same people would show up at the same events. They were not necessarily people that I was interested in engaging with; what I was trying to do was to find people who actually had an interest in improving the relationship with people outside these formal channels. And that was what we had from this dinner. And so we started inviting them to different public diplomacy events. The Turkish community was quite active in inviting us to come and go on tours of their mosque; they included us in inter-cultural, inter-religion groups that they set up with the Jewish community and some of

the Christian community groups. I participated in all of those because if I went and showed up at their Iftar dinner or their event that meant the U.S. Government was involved.

The down side was these were almost always nights and weekends so it was on top of an already very long day but it was important. And so my first 18 months at post had a heavy, heavy focus on establishing these different relationships and finding out ways in which we could use those relationships indirectly to work on the problems. Many of the websites read by people in Lebanon and Egypt are actually run out of Australia. When you think about it, if you can't live in a multicultural country like Australia and live in accordance with your religion, Islam, comfortably, you can't do it anywhere in the world. It was almost like a laboratory. It was not the United States with all the political baggage of the United States but it was like the United States in terms of respect for minority rights, rule of law, an open and free press, open banking system, so it was a very interesting dynamic.

Q: Were the Australians, sort of the society, I mean, there are two models. One, we call the United States the melting pot and the Canadians call it stew. In other words that you can remain Ukrainian Orthodox or obviously French speaking or something and they don't try to assimilate as much as- With us it's not pushed but basically the pressure is to assimilate. How were the Australians going at this?

MALLOY: It was a- In the cities, in Sydney especially, it was very dicey because the earlier waves of immigrants had indeed assimilated. They spoke English. They maintained their culture and their religion but they were Australians. But the more recent waves did not. As a matter of fact there were two distinct groups of Lebanese; previous immigrants from many years ago and the more recent ones. The more recent ones, the young people, especially the young men, were very assertive that they were Lebanese; they socialized only with Lebanese.

Q: Were they Lebanese or Lebanese Hamas type or not?

MALLOY: Can't say. Can't say. But there had been a string of sexual assaults by a gang of Lebanese young men on Anglo Saxon young women, and it was all very horrible and nasty. Part of their attack was to claim that these were women who were inappropriately dressed or whatever. It was a-

Q: You mean there was a religious overtone-

MALLOY: Yes.

Q: -sort of Puritan overtones.

MALLOY: Right. And this actually hit the international media. Before we left for Sydney we had friends warning us to protect our daughter from these gangs of Lebanese. Well it turned out to be a small group of criminal young men but it did reflect some huge

cross cultural barriers between these recent immigrants who felt that they were not accepted in Australian society. There was a lot of tension. These Lebanese immigrants tended to live in certain parts of town, they had lower incomes and there were all the classic signs of a brewing conflict between the two groups. We were working with those groups who wanted to find a way that everybody could live in harmony.

Q: Well, you know, I have to ask the question, what business is it was ours? I mean, you're the American consul general; you're not the Australian social worker.

MALLOY: Well, it became ours after September 11 because the average Australian, who would normally have not thought twice about it or just ignore the fact, was acting out supposedly because of what Islamic terrorists did on September 11. That is how we got pulled into that. But beyond that there were issues of how, in a multicultural community, Canada, U.S, Australia, England, found their way through this. For instance, the whole issue of money. In Islam lending money for a fee is inappropriate so that means you can not take out a mortgage. That means you can not buy a house, and you are forever in rental property. How do you break that link? Well there are many places around the world where they have done a lot of work on banking in accordance with Islam, where you are not paying interest per se but you are paying the person compensation for what they would have earned if they put that money somewhere else, let's say. So if we knew of groups in the United States that were making headway on these subjects, through our public diplomacy program we would introduce it to the dynamic over there, just sharing information. A lot of this was done electronically. We had a great electronic reference library and we were trying to take best practices and-

Q: Weren't you running across sort of the al Qaeda network on some of these?

MALLOY: Absolutely.

Q: Because they were very much involved in Islamic practice.

MALLOY: Well we would not be borrowing from them.

Q: No but I mean-

MALLOY: But, I mean, they were there.

Q: But I mean they were cover organizations.

MALLOY: We would be very careful about what we were putting out. For instance, the second year we did the Iftar dinner. One of the most successful things we did was we brought in a quantity of the stamp the U.S. Postal Service puts out marking the feast at the end of Ramadan. You can actually buy these, with an explanation printed off the Internet of what the stamp has meant and the history behind it. We created little presentation copies for each person who came to the Iftar dinner that night. These people were floored. Some of them said, "I've been in Australia for 20 years and the Australian

government has never issued a stamp that has anything to do with Islam and the United States has a stamp celebrating the end of Ramadan?" And we got asked for multiple copies so they could take it to schools, the Islamic schools and their children. So there were little things like that that we could do to show that we do show respect to Islam.

Q: Well weren't you getting some Australians getting huffy and puffy about what you were doing?

MALLOY: No and it would be invisible to most of them, most of- because they would not go to these things. They would not know about these things. I did an awful lot- For instance we supported the inner city basketball programs. Our daughter played basketball in the United States; we had always made sure that she was involved in some sort of sporting activity and over there it was very much an inner city, not very- not affluent sport at all. It brought us in contact with Aboriginal children and we were supporting that- it was just an important thing to do. And the irony was that I ended up meeting and talking with the representative of the Palestinian group because unbeknownst to me he was also involved in the basketball community. He watched- he noted over a long period of time that I was working in the community and that there was not any political tie to my work, it was just- because we always do community work wherever we go; it's a very American thing. I was helping to support a sports center that was being named for friends of ours who were killed in Bali, actually members of my daughter's basketball team. That is where I met this guy and he- it was the first real contact I had with the Palestinians. But it never got to a point where he felt he could come to any of our PD programs. So the Aussies saw the community work that we did more than this work that I was doing within the interfaith dialogue.

There was lead imam. As I understand, and I am not an expert on Islam by any means, I would not pretend to be, but it is not like the Catholic faith where there is a pope or other religions where there is one person of authority; in Islam there are many leaders. And that is part of the reason why it is difficult to interact definitively with them because you are really only speaking to one person. But there was one gentleman who purported to represent the entire Islamic community in New South Wales and indeed subsequently he purported to speak for all Muslims in Australia. He had emigrated from Egypt. My problem was that he was all sweetness and light when speaking to us directly at an official event but then in Arabic in speeches at the mosque he would say some pretty horrific things about the United States. So this was somebody that I refused to have any contact with. I would never call on him; I would never invite him to anything. I was under a lot of pressure to do that if I really wanted to make inroads to the Muslim population but tactically there was no way on earth I was going to associate with this gentleman. Finally he was removed from that position and there is now somebody else much more moderate and the consulate does have contact.

Q: Were you getting from the Australian authorities- I assume that they had moved rather quickly into monitoring their community there. You know, I mean, for terrorists and all that. Were you getting a pretty good readout about what was going on?

MALLOY: Well in the area of threats or intelligence monitoring they are just about the best in the world. And between our two governments we have a very close and productive relationship but I am not able to comment on more than that. What I did tap into was a gentleman who was in the New South Wales government in charge of relationships with all the different ethnic communities. He was one of the people that I went to when I needed instruction. You know, how do I reach out to different groups? Who should I talk to? What are the pitfalls and the dynamics? And he was very, very helpful in giving me some guidance in all of that. I mean, not in an intelligence sense but just who was who in this world, and that was very useful. My security team, of course, Australian federal police, they were the ones who would know everything that the Australian government knew and I just took direction from them. If they suddenly decided that things were hot and that I needed an armored car and the consulate did not have an armored car they would snag- Prime Minister Howard had armored cars parked in Sydney for whenever he came up and I could always tell when things were particularly dicey when they would show up to pick me up for work in the morning with the Prime Minister's car. That meant we had to be extra cautious.

Q: Well did you, you know, you had this relationship over Kosovo and the Balkans and all that, and I recall when I was running the consular section in Belgrade back in the '60s, it seemed that the, particularly for Macedonia but it also included - it was then a republic and all but also Bosnia, that there were two stream emigrating; one was to Australia and one was to the United States so there must have been a significant, at least older and probably up to date set of Yugoslavs there, and did you get caught up in that?

MALLOY: Well, as I mentioned one of the groups that we reached out to was the Bosnian community, because they were a great beneficiary of U.S. Government action and they also are Muslim. So if anybody could introduce into the general dynamic there information positive about the United States, it would be the Bosnians. And indeed they probably were the most balanced in their thought but they were quite small in numbers. What I found was that there would be a natural grouping of the Turks and the Bosnians, they would tend to be roughly closer in their mindset at one end, predisposed to at least listen to what the United States had to say and to work with us. And at the other far, far end you would have Palestinians and Egyptians, and Indonesians would be split. Either they would be non-political altogether or you would have some who were pretty radical. There were no unifying Pakistanis, the same thing. Either non-political or very radical. So we had this spectrum. The Bosnians did not have much weight in these groups because they were not Arab. You know, they happened to be Muslim but they were not of the same group. But intellectually, in terms of, for instance looking at what laws could actually allow one to do without violating religious context or in the interfaith community the Bosnians were very good on that.

My difficulty in all of this was that I could not put anybody in a position where they would be ostracized from their own community or they would be at risk. All I was trying to do was shake up the dialogue within the Muslim communities. There was no one community, there were many different communities. Trying to get at least one person at the table to say well wait a minute, what about this? You know, introduce some element

of what the United States was all about, rather than viewing us in that sort of very, very limited archenemy kind of view. So I had to be very, very careful. I would never ask anybody to spy or give me the sort of internal gory details of what was going on; it was more I would share with them information that I thought might be useful and they would share information with me that they thought would help me understand how to move forward.

I am still in touch with some of these people. It has been interesting.

Q: I'm looking at the time and I think this is probably a good place to stop. But the next time I'd like to pick up because of these things. One, obviously we'll get into the whole Iraq War and the attitude there, how you felt about it, al Jazeera and sort of continuation of this Islamic thing but also internally how'd you deal with- One, it was very unpopular within every group including, you know, the Foreign Service too, and then with the Australian people and the government and the various parties, and also I was wondering if you could talk a bit about Australian society. I've had some- I've never been there but when I was in Vietnam and Greece and all I ran into Australians and mostly guys and they were real guys. I mean, they- I mean, you had the feeling that they, the men anyway, sat around, drank beer, talked about football and maybe sheep or something and there would be these gorgeous girls which I know I would give passports to American soldiers from Vietnam who would go and find wonderful pickings, because the Australians didn't seem to understand what attractive young women were about.

Anyway. I mean, it was very much a, I would put it as a guy society that I was seeing and you would be seeing quite a different- I'd like your impressions of that.

MALLOY: Alright.

Q: And also, you know, you're the ambassador and the Bush Administration and what you were picking up about any currents between Washington. I'm doing Beth Jones now and you know, they're talking about the horrendous battles with the Pentagon, particularly Rumsfeld and the European bureau and all that and I was wondering whether you were, in the Asian bureau you were picking up any of these squabbles with the military and, you know, we'll just keep going.

Okay. Today is the 12th of August, 2009, with Eileen Malloy. And, shall we have at it? You know where we left off?

MALLOY: Yes. We were talking about Australia and it strikes me that it might be useful for readers to understand a bit more about the consulate, what was there, what our role was.

Q: Yes.

MALLOY: Consulate General Sydney is a consulate that acts as the gateway to the country, if you think about maybe Rio in Brazil as opposed to Brasilia, the capital, where

the vast majority of all visitors to Australia landed at Sydney and went on from there to various tourist points but rarely would go down to Canberra, the capital city. Several U.S. Government agencies chose to be in Sydney rather than in the capital city of Canberra. For instance, the Foreign Commercial Service for all of Australia, New Zealand and Pacific islands was based in Sydney. They actually had nobody at all down in Canberra. And what used to be FAA, Federal Aviation Agency, before the consolidation of Department of Homeland Security was based there as well. We had the coordinating consular officer for all of Australia who was simultaneously the head of the consular section in Sydney. So there were a number of functions up there and typically in those situations you have a great deal of friction between the embassy and the consulates and arguments over prerogatives and who's in charge and all that, and one of my goals was to make sure that that never, ever happened.
I started out with a very close agreement with the Ambassador and the DCM about what we in the consulate would do as opposed to what they would do. The one area where I had difficulty really refining that as well as I would have liked was in political and economic reporting. The embassy for the first year I was there would preferred that the consulates not do their own cable reporting but rather feed information into the embassy. The embassy, however, in its reporting back to Washington was not stipulating that it was based on input from the consulates. I got feedback that the DAS in EAP responsible for Australia had opined that he did not quite understand why we even had a post in Sydney since there were never any reporting cables from Sydney. So I realized that we had to do a bit of protecting our own image. We talked it over and the embassy did start indicating in its cables that the material they were putting out was based on input from specific consulates. Also I carved out areas where I felt we were better situated than the embassy to do the prime reporting. One area was the Muslim community as we were in a really good position to do the outreach. The other was nuclear power issues because the only nuclear reactor in Australia was just outside Sydney; Lucas Heights, it was a research reactor and it produced medical isotopes.

Q: There's no nuclear power establishments in-?

MALLOY: No. No nuclear power plant, no nuclear weapons, just this small reactor and there was cooperation with U.S. Department of Energy on safeguards and training. The U.S. Government also did a lot of nonproliferation work, and then after September 11, weapons of mass destruction detection training with the Australian government. So a lot of that came into our area, either Sydney or Queensland and we ended up taking prime responsibility for that reporting so cables started going into Washington from Sydney.

The other thing we did was a weekly or bi-weekly roundup of our activities, listing the PD (public diplomacy) activities we had done and different outreach efforts, taking care of the American community, just to show that there really was something going on there. And each of the different agencies at post provided input to that.

Another area where we were probably in the best position to do a lot of work- as I mentioned previously Sydney is the media capital of Australia and so we were able to do PD functions there that would get more resonance and attract more people than if you did

it, let's say in Canberra, where you would get the official Australian government but you would not get picked up on the media and then replayed out to the public. So there was a constant back and forth between the public diplomacy counselor in Canberra who felt that he needed to control the PD budget and me. Not my public diplomacy officer because he was great but I felt we should have been able to do things that would work really well for us.

Q: I'm just trying to get a feel; there must have been an overall, this includes other embassies too, but a feeling that Canberra was almost a side show. I mean, it- okay, you had your main government there but nothing else is going on there.

MALLOY: Well the national government was there, which meant all the ministries and all the policy-makers so that was the absolute critical place to go to influence Australian federal government policy, formulation, thinking, implementation on our cooperative issues. Obviously we were not attempting to influence Australian government policy on their domestic issues. But once you got away from that, you are right. Canberra is a Monday to Friday capital, like many of them. The prime minister actually lived in Sydney and would commute to Canberra. His official residence was in Sydney, he was there quite often. The governor general for all of Australia lived in Sydney. If you were trying to leave Canberra on a Friday afternoon every flight would be booked. So it was- the parallel is to Brasilia in Brazil. But while I believe in centralization and control what I had trouble with was the logic that a certain percentage of the PD budget should automatically be devoted to the Canberra PD operation, which could not do much. As a matter of fact they did not even have the technical capacity that we did. We could arrange live video teleconferences and the Canberra PD operation could only be hooked into us over telephone wires. It was very unsatisfactory. So that was a theme throughout, a constant theme.

The Ambassador also was very concerned about some aspects of the public diplomacy budget because he felt that it was being used to support activities that were inherently critical of the U.S. Government, and here it was more of the arts. There was a Biennale for modern art in Sydney and large amounts of PD funds would be devoted to supporting American artists who would come over to participate and who then would join the, what we called the chardonnay and brie crowd who would roundly and publicly criticize the U.S. Government. So there were many debates on that. It turned out that those monies were actually controlled in Washington and not at the embassy level.

Q: To put this in perspective, this is early years of the George W. Bush Administration, who was, I mean, it was sort of a confrontation with the administration, saying sort of the hell with you, we know what we're going to do. I mean, it was not- public diplomacy-wise it was not a very comfortable time.

MALLOY: No. And yet our role, as I saw it, was to show how multi-faceted the U.S. people were. One of the first things I did based on my experience at Department of Energy, when I did my round of courtesy calls and I called on the Russian consul general, I suggested that he and I work together to organize a joint video, televideo conference to

highlight all the positive things that the Russian and U.S. governments had done together to reduce the threat of proliferation, to secure at risk nuclear materials. Unfortunately he never got permission from Moscow to engage on that but I went ahead and did it anyway. I set up a really well attended event where we brought in, by video, Linton Brooks, who was then head of NNSA at Department of Energy and Rose Gottemoeller who had just left DOE at the end of the Clinton Administration. We had the two of them talk from their two different perspectives - from the former Clinton appointee to the present Bush Administration appointee - about the nonproliferation work being done. What was interesting was that we brought in a wide range of people including Greenpeace; Greenpeace was very active in Sydney. They had been trying to board U.S. military ships as they came in to Sydney harbor and had managed to put posters down the side of an Australian Navy ship so there were great concerns about them. I was very pleased that they sent representatives to this event. Even more I was pleased that they sent their policy people and researchers, not hecklers. They actually had some of the best questions on the viability of the plutonium disposition program and it was clear that these were people we wanted to keep on our PD contact lists.

Another thing that I did was arrange to publicize the Department of State cables mentioning grants that our scientific bureau, OES, Oceans, Environment and Science, was giving to local groups around the world. These never got publicized but I looked at the list and saw that we were giving money to all sorts of issues near and dear to the Australians, such as preserving the Great Barrier Reef and all sorts of very, very green environmental issues. So we would do up a press release and push that information out to the Australian public. We were constantly trying to push out information, get it out there any way we could that focused on America and the positive things we were doing, not just being defensive about the issue of the moment, which of course was Iraq.

So I found myself responsible for a multi-agency, large consulate. This consulate was actually larger than the embassy that I had run in Central Asia. But I was not responsible for things like the mission program plan or for making demarches on the host government. So it was actually kind of ideal in a way that I did not have responsibility for a lot of the administrative meat and potatoes kind of work. It left me much more flexibility to figure out where to put my time.

Q: Did you find you had to worry a little about not putting on your former ambassadorial hat instead of your consul general hat?

MALLOY: I had to be very, very careful and as I mentioned previously I had met the incoming Ambassador in Washington. We talked through how to handle this. We were going to have two ambassadors in country and also I explained that I felt I might make the DCM feel vulnerable or uncomfortable. And the Ambassador said, "well, we will just refer to you as consul general; we won't use the ambassador title." I said that was fine with me, I did not want to complicate issues. It was already hard enough-

Q: Yes, well you have to- I mean-

MALLOY: Right. However, the very first time I escorted Ambassador Schieffer to a public event he introduced me as "Ambassador Malloy" and continued to do that, so I had to laugh about that. In the end it was not a problem. It was something that we could use if, let's say, a group wanted a speaker and the Ambassador could not go and the DCM was not able to go and the embassy wanted me to cover the event. It made it easier to accept a substitute when they could use my title. So variable geometry. Never did I have a problem with the Ambassador on that. It was totally up to him. In private he called me Eileen and in public he could call me either consul general, ambassador, whatever the situation warranted.

Q: How about the DCM? Because this could have been a very difficult situation for the DCM to be in a somnolent capital almost or something and I mean, an active consul general in Sydney; I assume in Melbourne too.

MALLOY: Yes. Very active and we also had a consulate out in Perth. Yes. I mean, this was my rating officer so I had to be extremely careful with this relationship, and if I had learned anything by this point in my career it was that one has to pay attention to every relationship, not just up or just down. It was just as important for me to maintain a good relationship with the DCM. And so he and I would talk about these things and, as I mentioned last time we spoke, very early on he deferred to me on media issues right after September 11. So to me that was an indication that he was less comfortable doing public media events and while I was not necessarily comfortable either I was used to doing them. I found it so much easier doing them in English after having to struggle to speak in Russian in front of Kyrgyz audiences. This was actually much easier.

But that was a difficult relationship to maintain. I would look to him to resolve issues. I did not want to go above my pay grade even when I felt I knew the right answer. I needed him to be the one to come to that conclusion and to enforce it. And it was a bit frustrating because that was not his style. The Ambassador instituted daily telephone conference calls between himself, the DCM and all of the consuls general. At the end of each working day he would brief us on what he had done, who he had called on. He kept us well informed. We were to use this phone call to discuss common issues that needed resolution. I found if I laid out a problem the DCM's response tended to be, "gee, what needs to be done about that?" He was not, he just was not taking it the way I needed him to take it so by default he was pushing me more and more into that lead role. That did create friction with the other consuls general, which was what I did not want.

The other dynamic in play was that the management counselor was also in Washington when the Ambassador was preparing to go to post for the first time and I had arranged for the two of them to meet. They got along like a house afire - really, really good, good relationship. Rosie Hansen understood what the Ambassador wanted and so when he arrived at post the only people he knew was me in Sydney and Rosie Hansen in Canberra. Everyone else he met at post and he tended to gravitate to the two of us when he wanted a straight answer on something. And I think that also was disconcerting to the DCM. I had a lot of sympathy for the DCM. He was girdled by two people with very good lines of

communication with his boss but we both tried not to abuse that. But it was not an enviable position to be in.

One of the things that I thought worth mentioning was going back to September 11 people may be interested in how we managed, coped, dealt with something like that. I thought it might be useful just to talk a bit-

Q: Oh sure.

MALLOY: -more about that. I mentioned that the first thing I did was decide that we were not going to go into the office building the very next day. I wanted to get some clarification from the regional security officer in Canberra and from the State Department as to whether they thought we were safe to do that. It was just such complete chaos it was hard to judge. We notified as many of the staff as we possibly could and we had the guards post signs for visa applicants and people with scheduled appointments that we would not be open that day. But to the extent possible we did not want anybody physically going in there.

The other thing that I did as I sat there through the night was work up what I call circles of responsibility. You know, as any human being my first thought was whether my older daughter, who lived in a suburb of Washington, DC, was safe. Were my parents who were getting on an airplane in New York City that day to go off on a flight to Europe, were they safe? My sister, who was working right across the river from New York City and actually viewed the whole thing across the river in New Jersey, was she safe? So I spent a good part of the night trying to reach my family, which was very difficult as you can imagine. The phones were just shut down and our computer was not yet set up. We had just gotten our household shipment delivered and everything was in crates.

The second ring of responsibility was the people I was responsible for at the consulate, which was my immediate staff, both Americans and my locally employed Foreign Service national staff. But also it turned out that there were a large number of military exchange students. Because of the vibrant cooperative relationship between Australia and the United States our militaries would send officers to each other's schools for training and would also embed Australian officers in the Pentagon and U.S. military officers in various military installations in Australia. So one thing that immediately became apparent was that while I was responsible for these people, and I needed to reach out to them and explain what they should do, no one actually had a list of where they were. This exercise showed us where we had some huge gaping holes in our emergency notification system. Then one further ring was my responsibility to the American community. As you can imagine a huge number of Americans were living in New South Wales and Queensland, which I was also responsible for, but the vast majority would never have seen any reason to actually register with the consulate. Even if I could have gotten into the building I would not have had records of where all these people were. But we needed to reach them via the Australian media and to be prepared as soon as we reopened for an onslaught of telephone calls and fax communications.

One ring further, the business community. Australia is one of those countries where you do not necessarily need to have an expatriate running your business operation. They are so qualified that many of the U.S. companies were run and headed by Australian citizens. The Australian managers would not automatically be hooked into our consular systems but the business entity still needed support from us. So I had to figure out how to reach them. Not all of them were members of the American Chamber of Commerce.

And you go one ring further and we had responsibilities to the Australian public - people who wanted to know about their loved ones who could have been lost in the World Trade Center or on one of the airplanes. Information sharing with the New South Wales government, with the Queensland government. So you could see we had all these rings of responsibility and in the dark hours of the night I had to figure out how to deploy the few people I had at my beck and call at the consulate. I really did not have all that many but we had an excellent Australian staff and even though I had only just met them, I had only been there a few weeks, and I did not even know all their names, they struck me as very, very capable. We also reached out to the embassy in Canberra for assistance and to Washington.

So we were shut down that first day. As I said, I did the media interviews and the first of the memorial ceremonies. And by day two it was clear that the demand for us to participate in memorial ceremonies would be enormous. It seemed that virtually every town wanted to host a ceremony and wanted me to be there. So I ended up having to deploy my people to attend all of these. And the very first night, on the way back from the cathedral my security detail was alerted that there was something going on at our commercial office building so we swung by there, thinking it was a demonstration of some kind. What I found was that somebody had gone by and set up a wreath of flowers and an American flag. They had attached a marker to the flag and started writing messages of condolence and left it there for others. Spontaneously the Australian people started coming by that spot to leave flowers and messages. Within a day there was literally a thousand mementos left there and it became a place for Australians who had lost friends and family to come and put their pictures and candles -- similar to what was going on at the World Trade Center. The difficulty was that this was a large, 90 story commercial building. We leased two of the floors. A number of the floors were leased by large Australian law firms and where this memorial built up was the exit that they would take to go up to the courts. They would go rushing out in the full regalia, the long black robes and the curled wigs, just as you see in England, and they did not take kindly to having to trip all over this stuff. Plus, there was a lot of concern on the part of other tenants of the building that we were becoming a magnet for attack just by virtue of the fact that we were in that building.

I needed someone to deal with this memorial that was on the public sidewalk and the building entrance, areas I did not control. Also we needed to engage with the tenants and the building managers. This was our first indication that the building occupants would prefer that we move out and we were literally only days after September 11. This was at the point where rather than serving the American community I decided we needed to engage these Americans and seek their help. So we reached out to all the American

affinity organizations, and there were a number of them, and out of this crisis developed a relationship with them where they were actually helping us. They set up tables at the airport for Americans who were stranded, because there were no flights. If you can imagine a week's worth of Americans who had tickets to fly home were now stranded without accommodations and people all over Australia were calling the consulate and offering to house them but I needed someone to take those offers and match them up to the stranded people. So the American Women's Club took that on. They also took on the role of maintaining the memorial at the base of our building. What they did was they would move items so that traffic was not blocked up and down the steps and escalators, and they were also there to counsel people because people who did not know where to go took to coming there. They were very emotionally distraught and needed help so these ladies took shifts being there to deal with this. They also helped us catalog any item left at the memorial that was nonperishable, to box it up and ship it all back to the State Department for archiving. So a new relationship came out of these sad days. We then went on to develop it further in terms of crisis management and spoke with them about organizing an inventory of who out in the community was a registered nurse, a certified counselor, who could we call upon if we ever had a crisis like a plane crash at the airport. So that was another good thing that came out of this very, very bad situation.

It was a very intense period but what it forced me to do, which I would have been inclined to do anyway, was to utilize every Foreign Service national employee as if they were an American officer. I mean, there was no distinguishing between the level of responsibility or taskings except obviously if something was classified. It forced me to bring in the American community immediately and they just got to work and that relationship was very, very helpful. It forced me to immediately start working with the New South Wales police, firemen, all these other entities and they, throughout the next year of my tenure actually provided me great entrée into society and in a bizarre kind of way got me over the potential pitfalls of the relationships with Canberra because we did not have time for any of that, we just had to do it.

Q: Yes. Just get on.

MALLOY: So it was a very disturbing and odd way to begin a tour and it threw everything out of whack in a protocol sense but we just had to do it.

Q: Well were you able- you said about there's almost 80, 90 Australians killed at the World Trade Center; did we have a program to reach out to those families?

MALLOY: Yes. Well, obviously we were under intense pressure as the official U.S. Government representation in town to get lists of the victims so that the New South Wales and the Queensland governments could assist their constituents. Obviously Canberra was getting that same pressure from the Australian federal government.

We also, as we knew of the names from media reports or the families getting in contact with us, were developing a list of Australian families who potentially had lost people, because we wanted to make sure that we would facilitate their travel to the United States,

if need be, to keep them informed and indeed, a year later, when the State Department sent a really moving series of photographs - I don't know if you ever saw these? One American photographer given access to the World Trade Center site and his photographs were just stunning from an artistic sense, really the only visual record. The State Department sent this as a PD, public diplomacy, offering to Sydney. We were involved in setting up all the displays and opening it to the public but what we did before it was open to the public was we got in touch with all of these families and offered them a private moment to come in by themselves without the public or the media being there to view these photographs if they wished, if it would make them feel better. So we did things like that; we tried to reach out to them in any way that we could but primarily the people taking care of them would be the Australian consul general in New York City. So we did not invade their privacy but to the extent that we could offer them some solace we would do that.

And it was unusual. For instance, one of the people that I came in contact with was an Australian citizen who returned to Australia after the collapse of the World Trade Center. He'd been manager of the Windows of the World restaurant and he-

Q: Which is on the top?

MALLOY: On the top. And that was where my cousin was and where my cousin was lost. And as the manager he had worked the night shift and had just gone home. His deputy had just come onboard for the day shift. He lost so many of his employees at Windows of the World and was struggling mightily with this. He wanted to be a part of everything that we did as a way of dealing with his own grief. So here was an Australian citizen back in Australia but we were still dealing with him, and he would play a role through all the memorial ceremonies that we did.

So I guess my point is that you have to just go with the flow in a crisis like this. You cannot throw out all the rules; obviously you cannot violate security, you cannot spend money that you are not authorized to spend but you do have to dispense with protocol and courtesy calls. For instance, all the people I was dealing with I had not yet paid a courtesy call on. We just all dispensed with that. Who speaks to the media? Whoever is in the best place at the right time and who is best equipped to do it. And you just get through that. And then at the end of it you do a lessons learned session, which we did, and it was almost like having a really tough inspection or a crisis simulation. This at the very early part of my time there enabled me to figure out where my gaps were and then to go back and fill them in. For instance, every single employee who showed up for work that day when we were closed and who had not been notified, we realized that our lists were not accurate. We did not have the phone numbers, a new employee had been left out; we made sure that was fixed. We also had to take a long hard look at whether the consulate was properly set up from a security point of view for demonstrations or attacks. Also, for the first time our local guards, who are contractors, who had always felt 100 percent part of the consulate, for the first time realized that they were not the same. In other words, they were the only employees working outside of our security barrier and they initially wanted to talk to us about building a security barrier for them. We had to explain that

they were the ones who had to search visitors, do the metal detection, there was no way they could be behind a barrier. Psychologically I think that was tough for them. All of a sudden their job was real and not just pro forma.

Q: I was speaking to somebody in Saigon, I had a very large, as you can imagine, office as consul general there and they had a wall between me and the embassy and towers; this is after the attempt to take it over the year before. But I had a very strong security barrier, complete with armed Marines and watchtowers and all, and the consular section was on the outside, you know, but you had-

MALLOY: You were a throwaway. I mean the term for that is a throwaway and it's a heartless term.

One of the other things we had to look at in our hot wash afterwards was our own staff. We had some very frank discussions with them, asking them who was afraid to come to work. There were some people who could not make themselves come to work in that building. They were so terrified. I mentioned we were up, I think we were on 86th, 87th floor and one of the great beauties of our building was you would sit there and look out the windows and see all the way to the ocean on one side. You could see all the way to the airport on the other side and planes going in and out of Sydney International Airport would be flying right at eye level. Many of our employees all of a sudden found this terrifying because you could almost envision that plane turning and coming straight at you. Some employees' children were desperately afraid when their parents went off to work. So we enlisted all the help we could, both from New South Wales social services and then also within the State Department in terms of counseling and comforting and at the end there was only one employee who quit and left.

Q: I wonder if you had any trouble with your officers because in an interview I did with Chas Freeman, when he was ambassador in Saudi Arabia during Gulf Storm, Desert Storm and Gulf War, mentions the fact that he had several, I think officers, Foreign Service officers, who really wanted to get the hell out, you know, and I mean, he felt the Department was overly understanding about this. I mean, after all, this is a situation and you expect Foreign Service officers to step up to the mark, and if they can't take that sort of challenge they really shouldn't be in the Foreign Service, but he felt that the Department was, you know, we were so used to worrying about the wellbeing of people that we didn't sort of say well maybe you ought to think of another profession. That didn't come up in your-?

MALLOY: No. I mean, to a person every American and every Australian employee stepped up to it. I cannot recall a single instance where I felt somebody was pulling back or reticent; they all jumped in to attend the many memorial services. We had an actual calendar of assignments for that. I was reviewing it last night, actually, going through my notes of three or four events each day where I would have to deploy people. That meant sending them out in the public and being vulnerable. I was the only one with a security protection detail; everyone else was vulnerable. Not once, not a murmur. And I think in

some ways, for Foreign Service officers like the ones that I had at that time assigned there, this was the true Foreign Service.

Q: Well that's when the adrenaline starts going. I mean, you know, I mean we grab, I mean basically as a cadre we go towards the action.

MALLOY: Yes. And the gentleman who was running the consular section at that moment in time was- could be a bit of a prickly character, you know, tough to manage, was up against his very last review for promotion. He had opened his window and either he got promoted into the Senior Foreign Service or his career was over. And you can imagine how difficult it was to work with someone like that. But he stepped up during this whole process and throughout this whole crisis did everything I needed him to do and more. Kept his troops going and put aside whatever prickliness and bristliness had been there before I got there. And I wrote him an EER that reflected that and he did get promoted and he is still in the Service. And so I would like to think that these types of situations really do inspire people to bring out that inner strength.

We all bonded pretty well, especially with the Foreign Service nationals, out of this, almost as when I was in Kyrgyzstan and we had that horrible instance when one of my communicators passed away. It was a searing event, hard to deal with but if you never experience anything like this in your Foreign Service career then you are missing something.

Q: This brings me to something that- Did you run across- I remember hearing an Australian ambassador one time talking about they were afraid of getting too many immigrants from the United Kingdom because- this was some years before but sort of the union disease of I'm alright, Jack, I'm not going to work; you know, sort of the- almost the caricature of the British laborer thing. Was this reflected or did you find this at all?

MALLOY: Well, for the most part I think Australians related more closely to an American view on lifestyle life than a British one. They are harder working than I found in the UK but they have much more rigid rules about when they will work and when they do not work than Americans. For instance, they work to live, they do not live to work. So if they are supposed to work a set number of hours, they are free to go at 4:30 or 5:00 or whatever, they are off and they are doing whatever their favorite exercise is; it could be surfing or you name it, so you do not ask them to work overtime lightly. Where I found in the UK people were much more flexible about their work hours because they were not really working at full speed the whole time anyway. Aussies did not have a high amount of respect for the pomes, as they called them.

Q: This is the British.

MALLOY: The British. But on our- As you find with virtually any U.S. mission anywhere in the world we tend to attract a multicultural group of people so we had people who had immigrated to Australia from Hong Kong, from India, from Lebanon. We actually had several practicing Muslims. We found out during this whole crisis of

September 11 and our first Ramadan and so for the first time they felt comfortable actually talking about the fact that they were practicing Muslims and fasting during Ramadan. They had never been comfortable doing this before. So there was a certain dynamic there that in Australia everybody was supposed to be an Australian where in America we are much more comfortable with people being Irish Americans, Italian Americans, whatever. It was interesting.

The other complication I should mention was that on September 11 I was actually working with my first Bill Clinton visit, the former president loved the Great Barrier Reef off Australia and he was actually there, out on a boat fishing when all this happened. And so in addition to everything else that I had on my plate I had to find a way to get in touch with the Secret Service and help them get him out of the country and back to the United States when planes were not flying, which was very complicated. And that was why at the memorial service in the United States, if you look at the photos of the former presidents, they are all sitting there together, you will notice Bill Clinton's face is bright red; it was because he was sunburned, he was on the Great Barrier Reef. So we managed to get him in off the water and into a safe place for a couple days until we could get him back to the United States. And that was the first of many visits. I think he came three or four times during my three years and former President Bush Senior came once or twice. So many complications but these visits were also very interesting.

The other thing that came out of this was we realized that, as I mentioned before, we did not have good ties to the Islamic community so we had to establish those. We also- Ambassador Schieffer was quite astute in saying that we needed to do the same with the Jewish community, that we could not let them feel that we were now spending all our time focusing on the Muslims. I was asked to organize a meeting with the leaders of the various major Jewish organizations with the Ambassador in Sydney, which I did. This gave me all their contact information which we then got into our public diplomacy system. Subsequently this was very, very useful for the interfaith efforts that we were supporting. Ambassador Schieffer asked me to do something similar with representatives of all the Muslim groups so I called about eight to 10 of them to meet in my conference room. The Ambassador came up from Canberra because of course nobody goes to Canberra, everybody comes up to Sydney. We had just started this meeting when all of a sudden the building announcement, not the internal consulate public address system, announced that everyone in the building had to evacuate and it was not a drill. You can imagine the look of panic on these guys' faces, they finally agreed to come see the Americans and now they were trapped in the building when it was under attack. They looked at me and asked where they should go? I said well, the emergency door was right over there and we needed to walk down. It was 86 floors walking down; it was like the World Trade Center. And the look on everyone's face and the Ambassador looked at me with an expression that asked what I had gotten him into. Everybody was just frozen but just as we all stood up to start heading to the emergency stairwell - once you get in it you cannot get out, you must go all the way down - the building manager came on the public address system to tell the building occupants to disregard that announcement, that it was only a computer glitch, there was no emergency. But we, because we hesitated were not yet in the stairwells but a good part of the building population was in the stairwell. When

our staff members from the consular section opened the emergency door to start evacuating all of the people out of the consular waiting room people from the floors above us shoved our employees back in and said, "this is all your fault," and slammed the door. They would not let the consulate staff members into the stairwell. This was just an indication of the animosity my employees were subjected to in the building elevators each day; up and down people were saying nasty things to them or immediately getting out of the elevator. This began a year-long campaign to get us out of the building.

But anyway, we finished the meeting with the Muslim community groups and the Ambassador did not stop coming-

Q: Israeli. I mean-

MALLOY: No, this happened during the Muslim.

Q: Muslim.

MALLOY: The Jewish one went off just fine without this but the Muslim one- But I do not know that they ever came back into my building.

So. The other thing that I wanted to mention is the Australian-American Leadership Dialogue. Don't know if you have ever heard of this.

Q: No.

MALLOY: Okay. Well, a gentleman called Phil Scanlan, an Australian, was the driver behind this organization. He and a number of other Australians and Americans astutely realized quite a long time ago that unless there was some kind of proactive effort to keep the Australian-American relationship going that it would die on the vine. They could see that all of the close cooperative efforts of World War II were going to disappear as the new generation of Australians and Americans perceived it was not needed any longer. So they set up a formal dialogue which is bipartisan on both sides. Participants for the U.S. side include it's leading lights in the Democratic and Republican parties and on the Australian side the leading lights in the Liberal, which is their equivalent of the Republican Party, and Labor, which is their equivalent of the Democratic Party, parties and also some of their National party over there. These people on their own time, using their own money would travel between the two countries - it rotates, one year it is in Australia and the next year it is in the United States. They get together for a series of very private, Chatham House Rule discussions about the key issues of the day in the relationship. And because you have both the party in power and the party out of power it makes the transition fairly seamless. Rich Armitage, who at that point was Deputy Secretary of State and had served also at Department of Defense, attended all of these. Steinberg, Jim Steinberg, who was at that moment out of government and is now back as Deputy Secretary of State, attended all these meetings. The Prime Minister of Australia would be there and his cabinet members would all be there. So it was an excellent place

to have an unfettered policy dialogue between these two sides of very, very powerful groups of business and political leaders.

Q: You mention Chatham House Rules; what are they?

MALLOY: Basically Chatham House Rules stipulate that everybody promise that whatever was discussed in these sessions would not be repeated outside of the session with attribution. So while it may be fair to say there was a general consensus on A, B and C, you would never say Rich Armitage said A, B and C. And- Because members of the media also were invited to this, some of the most important commentators, political commentators on both sides of the Pacific Ocean would attend it was background material for them and helped them understand. You could see the impact of this Leadership Dialogue in Op Ed pieces but the rules were very, very rigid and if one broke these rules you were not allowed in anymore. So one of the first things that I got to do within days of arriving in Sydney was to attend one of these sessions. It was fascinating for me and was a great way to understand the key issues at the federal to federal level. My residence, indeed, was used for the big reception ending the Leadership Dialogue. It took place the first night we had moved in to the residence, our household goods had not even been delivered. It was a good way for me to see how the household staff worked and to get introduced to all these people. I found it a really impressive dialogue.

I do not know of any other bilateral relationship where we have anything like this. We have a lot of bi-national commissions, government to government, but this is totally private; it is funded privately and they make a real effort to reach out to key leaders. When the following year new governors were appointed, Governor Richardson in New Mexico, Kathleen Sebelius was appointed; Phil Scanlan came to me and asked how to get them engaged in this dialogue. They had Cory Booker; I met him there, at the third Leadership Dialogue I attended which was held down in Melbourne. Cory Booker at that time was an up and coming political leader. He subsequently has been elected mayor of Newark and is doing great stuff. He is looked at as a potential candidate a lá President Obama down the road for high federal office. So they were really astute at picking out the right people to invite to this Dialogue. And the kinds of things they were talking about was the importance to Australia of China and Indonesia and what the Australians call the "arc of instability" up above them that was generating all sorts of refugees on boats and coming down to Australia from Pakistan, Afghanistan and different countries. Also the free trade agreement under discussion at that point but not yet in serious bilateral negotiations. So real important issues - pretty much setting the stage for the substance I would be dealing with over the next three years, so really very, very important.

And that's- They just had the most recent one here in Washington. It's an ongoing thing.

Q: Well I guess you'll come back to these- the basic issues that-

What about, I mean, this is- you were talking about relationships; Perth I guess was, you know, way the hell off there but what about Melbourne? Where did it stand sort of in the Canberra-Sydney and your relationship and within Australia?

MALLOY: Well among Australians there was always a great competition between Sydneysiders and people from Melbourne. You know, they both think that their city is "the" prime city of Australia. That indeed was why Canberra was built, because if they put the capital in either Melbourne or Sydney they would have created a monster. Sydney being more of the New York of Australia and Melbourne being more akin to Boston. Melbourne is the insurance center, a lot of finance, old money, more genteel, more refined and Sydney being the media, lots of finance-

Q: To show my ignorance, where is the opera house located?

MALLOY: Sydney.

Q: Okay.

MALLOY: Sydney, yes. And Sydney is new money, big money, lots of flash so very different personalities there. Within the U.S. mission the post's personality was very dependent on the consul general of the moment. The consul general of Melbourne when I arrived in Sydney in 2004 was a senior consular officer. He did not, to the best of my recollection, engage on political reporting or economic reporting. He was very involved in the local community as the U.S. Government representative but saw his role a bit differently than I saw mine. He was responsible not only for the state of Victoria, where Melbourne is located, but also was responsible for the island of Tasmania and indeed for the whole center of Australia where you have the Outback and Uluru, which used to be called Ayers Rock, and up to Darwin. He was responsible for a massive physical territory and so he was out and about an awful lot and he- where I only had to care for two state governments he had all these different state governments to deal with. So there was a different dynamic.

I think I was the first consul general in Sydney in many, many years to focus on substantive reporting. There had been, I think the last five or six consul generals had been from the management cone and because I was a political cone officer I felt I needed to beef that up and develop different sorts of relationships. So I would not say that Melbourne and I were in competition because we were really doing different things. The consul general in Melbourne, though, had a much larger ego and did not adapt well to the new Ambassador. The new Ambassador came in as a political appointee and bristled a little bit at any implication that he was not up to par with the best of the Foreign Service and he actually- he was brilliant. He was a policy wonk, loved to talk about government and government history. He had done his masters on nuclear issues in North Korea. He really knew his stuff. He was not there simply because he was a friend of the President's and had managed a successful business relationship with the Texas Rangers. I am sure that relationship did not hurt but he was there because President Bush identified a number of key relationships where he wanted someone that he knew and trusted intimately to move those relationships in the right direction --Australia was one of them. The CG in Melbourne did not always say the right thing. It was painful in our daily conference calls sometimes to listen to the dynamic between the two of them. They would get into it over

things like July 4 money. Traditionally each consul general had the responsibility of soliciting funds from the local American businesses, to support the official July 4 function. For instance, it cost me anywhere from $35,000 to $50,000 to do a cocktail party reception on July 4 -huge amount of money. A cocktail party, it was $50 a head if I was going to do something, and our official residences were tiny; there was no way I could host the July 4 event at the residence so I had to do it commercially. The Ambassador in Canberra would be left canvassing for funds in Canberra and, of course, there was no American business in Canberra. So Tom Schieffer started out year one saying, "I've looked at the way this has always been done and the Ambassador ends up doing Cheez Whiz on crackers and you guys all have these big lavish affairs and we aren't doing it this way. What we're going to do is we're going to coordinate across the country fundraising and we're going to put it all into a central pool and you tell me what you need and I will allocate it to you. "

Fine. That meant that I had to fundraise and bring in big bucks, because Sydney had the lion's share of headquarters of American companies -Melbourne would come in second. So I had to raise the $35 or $50 that I needed plus I needed to raise enough to cover Canberra's expenses as well. That was fair. You know, I'll do it. But you run into all sorts of management concerns; you cannot commit money unless you have it; you have to book a hotel venue a year in advance, and put money up against it and so this system was very problematic. But with this Ambassador you just said, "Yes, sir, we'll find a way to make this work." And indeed we did. But the consul general in Melbourne had trouble doing that so he went ahead and booked his venue and made his arrangements and did not coordinate with the Ambassador. He also did fundraising for what he needed without coordination. And when the Ambassador called him on it he said, "well I need this money to do mine," and the Ambassador had to tell him in no uncertain terms that he would do what the Ambassador would allow him to do. So while listening to these conversations the rest of us would cringe on the telephone and try to disappear like little mice. But this consul general was only there for about a year and then he was made Ambassador somewhere and a new, more diplomatically astute consul general came in. After that there were no more problems with Melbourne.

Perth was like the younger child out there all by itself, a two officer post and yet they had all the taskings that the big posts had. They were constantly torn in a million different directions and I felt bad for them. We always felt like we all needed to step in and help them out, which we would have happily done anyway, but there were some difficulties out there. The two officers were at each other's throats, not even talking to each other and it was awkward. This was one of those instances where you wanted the DCM to just step in and take care of it. The reason it affected me was I hosted the coordinating consul general who had to make sure that the consular work done at the consulates was consistent. As you can imagine after September 11 we had all these changes in consular processing. Every visa applicant had to come in to be interviewed, then we had to institute fingerprinting, we had long visa delays for certain nationalities. It was really important that there not be any difference between the way an applicant was treated in Perth from Sydney or Melbourne. So when she could not get traction on consular problems in Perth she would come to me for resolution and I would have to go and beg

the DCM to do something; it was all kind of awkward but we eventually made it through to the other end. But it was an internally- I give Ambassador Schieffer a lot of credit because he- even though he was 99.9 percent focused on the relationship with the Australian federal government and he worked that really, really effectively he still found time to do a lot of the internal institutional work. He introduced a number of new mechanisms that I have actually used quite effectively in the OIG when I am counseling other ambassadors. He brought some ideas that he had tried out in private business; he introduced something he called the "ideas session." There was tremendous resistance to this at first but the concept was pretty simple. If you want to know how to run the mailroom you ask the guy who sorts mail. He felt that there was tremendous knowledge and expertise amongst our employees and that if we only reached out and asked them they could tell us how to do things better but nobody had ever asked them. So the idea was that each of the constituent posts and in each section in Canberra we would have a session section by section, so in the consular section or in the management section, and they would all stop work and go offline and answer two questions; one, what do we do really, really well, and two, what could we do better? They would then work up a list of answers that had been agreed in that group. And day two the staff would be broken down differently. They would do the same identical session but they would be in mixed groups. You would not just have management people meeting together; you would have three or four different groups but they would be all mixed, and they would come up with a similar list of answers to those two questions. Then you would look at the two lists and create one consolidated list. Each constituent post would elect a couple representatives to go to Canberra to participate in a large session where they would share all the lists and attempt to winnow it down. Then that mixed group would elect a couple representatives to go and present the results to the Ambassador, to see if this effort would yield up a work plan of things. So we did this year one; it did not work the way the Ambassador wanted. What he ended being presented with was a wish list asking for more money to improve employee quality of life. And the few action items it did generate that actually related to what he was going after, died on the vine as there was no follow-on process. So while all this was shared with the posts it was not clear who was tagged with responsibility. It did not work the way he wanted.

The second year we did it over again and this time we made clear that there had to be a follow-up mechanism, some way to capture and get these things done. The Ambassador also made clear he was not looking for a wish list but rather a list of what we did well, what could we do better. So the second year it worked better and one of the issues raised the second year was that there were many people in Canberra and in Sydney who had no idea what the person in the next office was doing. Sydney did not have- we did not have a cafeteria. There was a food court in the building, but there was no gathering place where you might interact with somebody outside of your section. We really did have a problem there with compartmentalization. So we devised what was called "did you know" sessions. Each section, one a month, would have an opportunity to put on a little presentation about who they were, what they did in terms of the mission program plan and how they interacted with or what they needed from other sections. And these presentations were very popular. We did them at lunchtime so people could attend. Some sections did a straightforward description and the PD section, of course, did the best,

which was brilliant. They had pictures; they started out with each of them, their names and their job responsibilities projected on the wall but instead of using their pictures they had some well known actor, beautiful screen personality or something, which got everybody laughing and focused and then, of course, they substituted their real pictures. But it these sessions started to break down the barriers. And then also I said we had a follow-up and one of the things we learned was that we were getting a lot of input from the Foreign Service national staff about things that they wanted but they wanted to hand the work off to the Americans. Because our staff there is 90 percent Australian, 10 percent American, and because the Australians are so highly educated, things that we would have an American doing in other countries we have an Australian performing in Sydney. For instance, in Melbourne the management officer is a local hire Australian employee. You would just hive off the small classified bit to an officer but you used that local employee for all the rest of the work. So that meant that the Americans tended to be at the very top of the supervisory chain and were ill positioned to do the research and analysis to accomplish some of these tasks. So at Sydney I created a senior FSN group and each section could nominate whoever their leader was, because in every dynamic the leader is not necessarily the most senior; it is the person who tends to take charge and speak for the group. And this group took responsibility for the accomplishment of these tasks. What I said to them is, I will give you an example - they were interested in knowing if computers that the U.S. Government was no longer using and that we would normally auction off, could be given to FSNs who had reason to use them at their home to perform their work. For instance, the press lady through September 11 was really disadvantaged because she- all of her media lists were in the building that we could not access. So if she could have had a computer at home and had all those contact lists on it, would not that be a smart thing. And they said they had heard about a post where this had been done in accordance with the FAM. So what I said to them was "you take this on, you research it, you come up with a proposal and tell me what it would cost, what the issues are and then I'll run with it." And so the group would do things but it was another way also for them to work together and break down barriers across agencies.

The Ambassador also, in terms of the ELOs, entry level officers, he would meet with them quarterly, usually in Canberra. He would use travel funds to bring them down. He would give them a reading assignment beforehand; they would meet and discuss books, usually an American history book or a biography of a President of the United States. He, as I mentioned, had the daily conference calls. He did all these things to hold this huge mission, geographically dispersed mission together and I give him a lot of credit for that. He also ran his interagency group very tightly, knew what everyone was doing, supported them. It was a very good and instructive three years for me. He then went on to Tokyo as Ambassador and did the same things there.

Do you want to talk about themes? We mentioned issues that were of great interest to the Australians.

Q: Okay, how about sheep?

MALLOY: Of course. Sheep. But not so much sheep as meat. Meat. I do not think the average American realizes how much we import from Australia and they of course would like us to import even more. And the United States has quotas for importation of products from various countries around the world. And as I was getting ready to go out to Australia the issue of importing lamb was constantly raised as an irritant. The Aussies felt that we were unfairly restricting the importation of lamb products. And so I looked into it. And when I first got to Australia I asked the PD section to equip me with some talking points on this subject because I had been warned that I would get grilled on this. What I found was that many, many years earlier when we negotiated these quotas with the Australians they were given an option. If in any year they did not use all of their quota the excess could be redistributed to other countries. In years when they filled their whole quota and they wanted to send more lamb to the United States they could dip into this pool of leftover quotas from other countries. That was option A. Option B was that they could just take their straight quota; use it or not use it, that would be all they would ever get. And they elected the straight quota. In other words they did not want their unused portion of the quota to be shared with any other country. And this had never been a problem because they had never actually broken into our market enough to use their entire quota. But now they had; they reached the ceiling of their quota and they wanted more, they wanted access to this pool of excess quotas from other countries. We could not redistribute to them as they had elected not to contribute to this pool in earlier years. They had chosen to go this other path. So first of all, it was all presentation; well, it was not the big bad United States keeping them out of our market but rather they had made a conscious decision and picked a course of action. They had left their unused portion fallow all those years when it could have been used by some of their competitors from other countries and now they had reason to regret that. So this was where my PD folks were just great, because they could equip me with this kind of rebuttal. I went off on my very first public speaking engagement, as I mentioned before, but nobody asked me about sheep or lamb or meat imports. I had these great points that I wanted to use. So in the end I had to ask people if they did not want to talk about lamb exports. So it was not as visceral an issue among Australians as we had been led to believe. Only in the actual industry was-

Q: Well it's probably bigger in New Zealand, isn't it?

MALLOY: Oh, I imagine it would be but for volume the Aussies probably export more. Where these agricultural issues were very important was on the side of U.S. companies wanting to export into Australia because Australia has one of the toughest phyto-sanitary regimes in the world. Because they are an island they have an opportunity to keep out things that would harm their agricultural base. But also they have been isolated for so long that they are highly susceptible. For instance they do not vaccinate their dogs for rabies. They keep rabies out of the country by quarantine and therefore if it ever got in there it would go like wildfire. And they do not have the problem that we have with raccoons and various other native animals having rabies so they do not have to deal with it. They have reasons to have this quarantine but our trade debate with them was that their quarantine and this regime was being used for political reasons, not just for trade. Our mantra was that these restrictions should be science based and the issue of the day was

table grapes. The U.S. grape industry wanted to export into Australia table grapes and even though the Aussies produce lots of grapes A, it's seasonal and B, they're mainly grapes for wine production and we wanted to be able to export table grapes into their market in their off season. They claimed that there were funguses and diseases and insects and things and this went on for a good two years. We finally won the battle to import table grapes at the federal level and then the individual states started anew; well, they did not want it in their area and I do not know that I ever saw U.S. table grapes in a grocery store the whole time I was there. It was a big, big issue.

The other issue was pharmaceuticals. There is not a whole lot of indigenous development of pharmaceuticals in Australia; they are mainly importers. They have a socialized state run medical system similar to what you might see in Canada or Britain. The issue was not so much getting permission to import pharmaceuticals into Australia but getting them on the government list as a drug that the government scheme would allow doctors to dispense. This was important because the private pharmaceutical market was virtually nil over there. There were great debates back and forth over that, over what constituted an actual new drug and the process of getting that new drug on their government list. There were intellectual property disputes connected with this. So we did an awful lot of work representing U.S. pharmaceutical firms but they were considered the bad guys. The Australian public was led to believe that the U.S. pharmaceutical companies were making huge amounts of money. The American pharmaceutical firms took the position that they did all the research and development and for every successful drug you had a hundred unsuccessful ones that had been funded. Their position was that the Aussies were, in effect, taking advantage of this R&D (research and development) done by the United States and then wanting to pay a below market cost that would only cover the actual costs to manufacture that particular drug. So this eventually became a big part of the discussion in the free trade agreement.

Q: Well where did, I mean you, was this the sort of thing that would be carried out pretty much on the embassy level?

MALLOY: Both. Because the embassy would look at the federal government but under the Australian system the state governments had tremendous powers. You had to work at the state level. They had powers in the implementation of the decisions and they also had political power in swaying the Australian government's policy approach. So I would, for instance, be asked to come out and speak to the dairy association of New South Wales or the sugar growers in Queensland to deal with that. Of course, it would be of great interest to our economic officers in Canberra who were reporting on the development of free trade positions but that would- their reporting had to be leavened by input from the consulates on political jockeying. I remember meeting with the dairy group in Sydney at one point and they were insistent that they be given access to the U.S. market under free trade. I was explaining the political realities of dairy being something that virtually every elected representative in the U.S. Congress had a constituency, it was not concentrated in a couple states as sugar might have been. California has a huge dairy industry. Who knew? And that this was going to be a very, very tough issue but what I described to them was the old story of the two men in the woods who see a bear. They both start

running and the one turns to the other and says "well you know we can't outrun this bear, why are we running?" And the other man says "I know I can't outrun the bear but all I have to do is outrun you." I said "well my analogy to you is you and sugar have to see who's going to outrun the bear and outrun the other person." Dairy was going to be really, really tough but either they were going to get totally left behind or sugar, but which one was going to get left behind was politically that was their internal battle to fight. And it was like a light bulb went off in their eyes and, indeed, in the end the Australian dairy industry did not get everything they wanted but they did not get left behind as sugar did. So we played a role in that. We were the ones who had the day to day interface. I was the one who would be invited out to an actual dairy farm operation and- which actually was pretty fascinating - it was the most high tech operation I have ever seen on a dairy farm. The people in Canberra would not do that. They would read about it or they would speak to the agricultural ministry folks so there was a very different role between the embassy and the consulates.

Defense. Huge defense relationship between our two countries. Australians were in Iraq with us, they were in Afghanistan with us. They were shoulder to shoulder with us and the level of information interchange and cooperation was phenomenal. Where there was a problem was in Australian government procurement of U.S. defense material. The Australian military tends to buy a lot of U.S. defense products but U.S. Government restrictions on these sales, international arms sales, are applied just as much to Australians as they are to, say the Chinese, and there were a lot of issues connected with that. How we could streamline ITAR, which is the International Trade Arms Restrictions so that the Australian government could buy the products that we wanted them to buy. We wanted them to buy into some of our military airplane lines; it would help with costs for us, the more we could sell them, but there were all these restrictions. So that was something that would come up every time I would meet with defense related people and my job, of course, was just to make sure that the embassy was aware of the heat of it; I was not involved in the actual negotiations on that issue.

Boat people. We tend to think of boat people as Vietnamese coming out of Vietnam; well Australia had its own boat people and smugglers to the north of Australia would put people in all sorts of rickety boats for high fees and send them off towards the shore of Australia. And what these boat people did not know was the Australian government's position was that any undocumented person arriving and claiming refugee status went into a camp; they did not release them into the community as we do in the United States. So you have people who had spent literally years in camps and young children whose whole life had been in camps and there were suicides and there were all sorts of issues. The UN was sending in humanitarian and human rights inspectors to criticize the Australian government. The Australian government was trying to make the point that these smugglers were putting peoples' lives at risk. It was very similar to the Haitians trying to reach the United States. And the only way to stop it was to make it a very difficult row. And they finally ended up at a point where they were no longer accepting people. What they were doing was turning them away and sending them to the Aussie government-sponsored camps in islands in the Pacific, which was absolutely horrendous. In the end most of these people ended up getting processed into Australia and New

Zealand but the government of Australia did finally shut down this flow but it was a big, big issue. So we would do reporting on the local groups and how they were dealing with that.

The other issue- one I have already mentioned - was environmental, nuclear. There was a big, big push to shut down Lucas Heights. People had a visceral reaction to there being any nuclear power- any nuclear reactors on Australian soil. What people did not seem to understand was that this was the sole method of producing short-lived isotopes. I was invited out there and went through the whole thing, had the tour, and learned more than I ever wanted to know about isotopes. But basically for people undergoing cancer treatment, their doctor orders specific treatments geared to that person. These isotopes have a very short shelf life, some of them as short as 12 hours. They have to be administered to the patient almost immediately and with the geographical isolation of Australia if they did not have a domestic entity producing these isotopes they could no longer provide treatment. So it again became an issue of educating the public and that was the job of the Australia government, not the U.S. consulate, but to the extent that we could we made sure that people understood the level of safety procedures in place and the scope of cooperation with the U.S. Department of Energy.

Genetically modified products. Another visceral issue.

Q: Frankenfood.

MALLOY: Frankenfood. Again, the reaction of the average Australian citizen was not science based. What the scientists will tell you is with genetically modified products, what you are really doing is speeding up natural changes. The irony was that decades from now Australia will have virtually no agriculture unless it adopts genetically modified seeds because it has a huge problem with salinization because it has very old soil (in terms of geology). All the intensive irrigation has caused salts to bubble up through the soil to the top and that was having the effect of killing their agriculture. It was not salt from the ocean, it was not ocean water; it was naturally occurring salts in the soil. So they were going to have to change to types of wheat and other products that could grow in that high saline environment -- genetically modified seeds. But you still had this visceral reaction on the part of local people and a lot of misinformation being put out by the Green Party and others. So we were always watching out for local and state actions to demand things like labeling of food products that are imported and trying to make sure that we were reacting to these efforts very early on before it had- before it became a trade impediment. We brought in speakers on that whenever we could, it was part of our public diplomacy program.

The- Well, you want to talk about PD programs?

Q: Sure.

MALLOY: I mentioned that-

Q: I mean, was there public diplomacy- PD is public diplomacy.

MALLOY: Public diplomacy.

Q: Which is Information Agency business more or less, the new title.

MALLOY: Right. It is conveying information about the United States. I mentioned that we did a digital video conference on nonproliferation that worked really well. We did not have all that many speakers, formal speakers. The State Department will arrange an expert on a subject and offer them up to posts but you have to pay their transportation and because the trip was over 14 hours we would have had to pay for their business class travel. Well, that would have wiped out our whole budget. We could bring in maybe one speaker a year. It was so cost prohibitive that instead we used digital video conferences with the speaker being physically in the United States and we would bring in an audience and interact on the screen or targets of opportunity. If we heard of somebody in the region we would pay them to hop over to Sydney, or quite often we would get excellent speakers who were in Australia on their own dime for some reason with a connection of a conference or something and we could program them. But speakers really- we were hard pressed.

What we did use to great advantage was U.S. Navy ship visits. Sydney was a very popular port of call for U.S. Navy ship visits and the wonderful thing was when we got in a ship visit they would almost always offer to host some sort of representational event. On some of these large ships you could invite a thousand people and we would work with them and feed in our key contacts and they picked up the tab, I did not have to pay for it. So it was a great way to stretch out our money.

We even got, once or twice a year U.S. Coast Guard icebreakers, en route down to the Antarctic to break open the sea lanes down to our research facilities, would stop and they, much smaller of course, but they would do lunches or they would offer tours, and this was a perfect opportunity for me to invite people from environmentally active organizations such as Greenpeace. Would not invite them to a U.S. military ship but a scientific research vessel engaged in exactly the kinds of work that they are interested in, they would come to something like that. So we used all these different venues as a way to get people who would not feel comfortable coming into the consulate to deal with us.

And then of course we used cultural events. We held a great program at the residence; it was the 100th anniversary of the birth of Louis Armstrong and my public diplomacy officer, David Gilmour, worked out with- the Australian Radio Corporation had a Sunday morning program on jazz and arranged for them to come and tape an event at my residence. The premiere jazz group in all of Australia played Armstrong's music, and there were interactive interviews with people in the audience. We invited a number of powerful people, some of whom only came to the residence that one time in my entire three year tour, people who politically were not well disposed toward the United States but this program was a draw. It was talked about for three years. So they came, we had the performance, we had a reception, everybody had a great night, and then the following

Sunday morning it was aired on national radio all across the country. So we did anything like that where we could get extra bang out of our very small PD budget.

The other thing that was great was that the premier of New South Wales, Bob Carr, was an avid, avid student of American political history. This man knew more about U.S. history in general and political history in particular than anybody I have ever met. He and a group of his friends, because he was not alone in this interest, had founded what they called the Chester Arthur Society, Chester Arthur being, I would argue, probably the least known president of the United States ever but the reason they selected him was that he was the last party functionary, a party apparatchik member to become president of the United States.

Q: He was also a member of my fraternity, Psi Upsilon, too.

MALLOY: Excellent. Well, I was told that it would behoove me to invite the Chester Arthur Society to meet at my house. A feature of their meetings, which are usually held over a very nice dinner, was a question and answer session on some aspect of American history. I thought "how hard could this be?" Well, the first session I attended was the one at my residence. I had invited our Ambassador in Canberra, Tom Schieffer, and Bob Carr, of course, was there with his wife. It was a sit down dinner for 70 people, and all sorts of political leaders from New South Wales and a former prime minister of Australia and his wife. My ambassador was first going to speak about the Texas government and then we were all going to participate in this question session. And I have to say; while we had done lots of large events at the house a sit down dinner for 70 was really pushing it. We had to move out all the furniture from the living room, including the grand piano and set up all these tables. My wonderful cook and her husband had hired extra help but at the last minute we realized that if everyone was going to get their food hot at the same time we needed extra hands. So unbeknownst to me they enlisted my teenage daughter to help serve, and she had never done anything like this before. At that time Christina was probably six foot one, she is now six foot three so she's quite a tall young lady but had never been trained in how to serve food at a formal dinner. I suddenly saw out of the corner of my eye my charming daughter sailing out of the kitchen and heading toward a table with her arms full of plates. She, of course, has picked the table with former Australian Prime Minister Gough Whitlam and his wife and the U.S. Ambassador, my boss, and Bob Carr and his wife. I was praying," please do not spill, do not drop, do not do anything." As I was holding my breath, she sailed by and served the plates that she had and managed not to wing anybody. It was at that moment I noticed that she was barefoot. You know, this was a crowd all done up to the nines, almost in British style. And she sailed back into the kitchen bare feet and all. We managed to get everyone taken care of. About halfway through the dinner I had occasion to chat with Mrs. Whitlam and she asked if that was my daughter, who looks very much like me. I said "ah, yes, yes", and Mrs. Whitlam said that she was lovely and so tall. Both the Whitlams are well over six feet tall, and I was hoping she had not noticed the fact that my child was barefoot but she had and mentioned that she had also had trouble finding shoes to fit her at the same age as Christina. She was quite lovely about it.

But anyway, the ambassador made his speech or remarks, really, on the Republic of Texas government, and it was very well received. Then the question session started. And I think of the 30 or 40 questions I could have answered maybe one. These were the most complex questions, for example, at what hotel in Washington did so and so give the speech on the occasion of? These people really knew their American history and they prepare for these sessions and try to outdo each other. From a public diplomacy point of view, it was wonderful to have in one room 30 or 40 people who really understood the relationship and who viewed the United States as a model for the way they thought Australian public debate and democracy should play out over time. So it was a great PD event. Our ambassador subsequently hosted one of these evenings in Canberra. The same group of people traveled down from Sydney, I was invited as well, and this time we were prepared. The ambassador and I between us got, I would say a good 10 to 15 of the questions. You get points for each question, and they later remarked that this was the first time they had really had Americans able to participate at the same level as this group. But the Chester Arthur Society remained one of these hidden private societies that it was really important to-

Q: Sort of like the Alfalfa Club or something of that nature.

MALLOY: Exactly. So when you first hear about it you say "ah, no, I'm not going to get into this," but it was worthwhile.

The other thing that we did for public diplomacy was, as most people know, periodically Australia has terrible bush fires and the state of New South Wales had really severe bush fires the second year I was there, lots of homes lost, lives lost. We decided as the consular corps, instead of simply getting together and talking amongst ourselves and having lovely lunches and dinners, to do something more than that. My family was very involved in basketball because my daughter was playing and the Czech consul general was a former professional basketball player; he's about, I'd say six foot ten. He and I used to spend a lot of time talking at diplomatic events because I was one of the few people he did not have to bend over to talk to. Also my previous work as deputy assistant secretary for East Europe, meant that we had a lot in common. We both arrived in Sydney at virtually the same time. We were the new consul generals in the Consular Corps.

So we decided to organize a Consular Corps basketball competition for charity and raise money that would all be donated to the rural firefighters and the groups that were raising money for fire relief. It was a one off thing and it was very intensive in terms of organization and efforts but again it worked really well in a public diplomacy sense. We were addressing the needs of Australians; we were not just focused on ourselves. So that worked well.

But I think one of my biggest frustrations was the lack of U.S. Government money to do the kind of public diplomacy events that we really- we could have gotten a lot of mileage out of.

Q: You're talking about public diplomacy and- what about the 500 pound gorilla in the public diplomacy thing? That was a very unpopular war in Iraq.

MALLOY: Ambassador Schieffer took the point on that. I found in my time inspecting embassies around the world that very few of our ambassadors, either career or political appointee, put themselves on the line on that issue unless their country was for some reason tied up in the issue. So ambassadors in South America or Western Europe usually would not go out and specifically give policy speeches on that subject, would not make themselves a target. Ambassador Schieffer felt very strongly that he had an obligation to sway Australian public opinion and to explain why the Bush Administration was taking this position on Iraq. What that meant was that he took heat for that and he- we were always looking for the right venues and the right audiences for him to make speeches. We set up any number of media backgrounders; we brought him face to face with editorial boards at major publications; I mean, we were relentless in getting out our position. But he did most of the work.

I did give a number of talks on this subject; for instance, I was invited, towards the end of my time, to go out to Sydney University. The universities, of course, were hotbeds of anti-war, anti-Americanism, and I was asked to appear with a Muslim imam, who had the unfortunate name of Sheik Jihad, at a forum where each of us would present our views. My security team was very unhappy with the prospect of me doing this. I felt I needed to do it and so I did go. It was a very difficult session and got to a point where I had a number of screamers, you know, trying to throw things out like Waco and attacks on human rights violations in the United States and disrupting the whole thing to the point where the audience finally started yelling at the hecklers, saying "excuse me, but we invited her here to hear what she has to say and we would like to hear what she has to say," and so the audience policed themselves. A striking characteristic of Australians is this concept of a "fair go," that everybody should have a fair go. So I said my piece, the imam said his piece, we of course did not solve the problems of the world but it was one of those instances where you get great credit for showing up and taking the bullets. And actually the imam was a very interesting man, spoke flawless English, told me about all the difficulties he has every time he enters the United States with a name like Jihad. We ended up adding him to our PD list and keeping up contacts with him.

Whenever I received an invitation at one of the universities from a student I would make myself available. And there was one American student attending a political science class who felt that what the students were getting was very, very one-sided and biased. As students were allowed to invite speakers he invited me to come and give the other side. I agreed to do that but the professor refused to allow the class to hear from me, which I found instructive. But again, since I was willing to do it the professor ended up looking like the wrong one.

So if we were invited and it was a credible venue we would go and talk but the person who took the lead on Iraq was the Ambassador. He did his own equivalent of the speech that Secretary Powell did; you know, the one at the UN. In hindsight now I feel bad for

him, just as I feel bad for Secretary Powell because they were working from the same flawed documents.

Q: Yes. Yes, this is the speech Secretary Powell gave to the United Nations of the so-called evidence of weapons of mass destruction, which turned out to be almost a collusion between Saddam Hussein and his manipulation and let's say the Republican hawks in the Department of Defense and the White House.

MALLOY: The other theme that we dealt with was Guantanamo. And the reason this was a hot button issue there was because an Australian citizen, Hicks, was being detained at Guantanamo. He was one of those folks who had wandered off into some training camp and he had actually been a fighter for hire in Bosnia during that conflict and then went on to Afghanistan. Not a character that you necessarily would want to spend a whole lot of time with but he was an Australian and they have a very strong sense of justice. People felt he was not getting a fair go, he was not being treated properly. One of the people who raised this most often with us was Kevin Rudd, who was at that time the opposition foreign policy spokesperson. He represented a district in Queensland; Kevin Rudd was a former Australian diplomat, spoke Chinese fluently. He was always making clear that a relationship with China was very, very important to Australia and that that could be a fracture point down the road between the United States and Australia, a point at which we might have to see things differently. He also would champion a strong relationship with Indonesia, not that there was a sort of philosophical meeting of the minds between Australia and these two countries but that they were important to the future of Australia for a number of reasons. The Ambassador worked very hard on his relationships with the Labor Party leaders and indeed was very close to some of the major ones but it was always rather prickly with Kevin Rudd. In the Australian political system and in their parliament they feel free to say things that we would find shocking in the U.S. context. And so there were at times harsh words uttered there about the U.S. Government or the President, words that Americans would find deeply offensive. So there was cause for a prickly relationship. At one point early in 2003 the DCM inadvertently in a media backgrounder let slip some comments about Rudd that were then printed. I mean, even though it was backgrounder they violated it and they attributed it so the Ambassador had to smooth over that relationship. Kevin Rudd, of course, now is Prime Minister of Australia so this was an important figure to keep an eye on back them and it turned out to be true but he was somebody who valued the relationship with the United States but had very clear views of how it should play out.

Q: Well what about this Australian prisoner? I would have thought one of our ideas was to get rid of these damn people and the Australians sure weren't going to torture him so why didn't we say he's yours?

MALLOY: Because there was no way to prosecute him in Australia so he would just be set free and he would be right back out on the streets.

Q: Well, wouldn't that, in a way, take care of the problem?

MALLOY: Well eventually he was released to the custody of the Australian Government but it took a number of years so it was an irritant while I was there.

Q: Did you get any, while you were there, presidential or vice presidential visit?

MALLOY: Well, as I mentioned I had four or five former presidential visits. No POTUS, as we say, President of the United States visit was scheduled; they did get one right after I left so we were involved in the prep. But we were supposed to get a vice president visit and we spent a lot of time working with the vice president's advance team and locating appropriate venues, hotel space. It's probably one advance they will never forget because they asked to see three or four hotels and when you do that the hotel shows you representative rooms; this is the VIP room, this is what staffers would get, on and on, and in escorting us around one unnamed hotel they had a computer list of rooms they wanted to show us and it was a group of about 10 of us, and they took their master key and they walked all 10 of us into this room and there was this little hallway with the closets and then you stepped into the main room, and something went wrong with their computer list and they walked us into this room and instead of it being an empty room it was a room occupied by a honeymoon couple doing what honeymoon couples do in their hotel rooms. And because of the narrow corridor the first four people were in the room and trying desperately to get back out and the rest of the line kept filing in because nobody could explain so all 10 people got paraded past this poor young couple. And for the rest of the time we kept speculating what the hotel would have to do to make it up to this young couple. Blessedly that particular visit was cancelled and we did not have to come to closure on the hotel choices. I had a feeling that hotel would not have been selected. As I said, it was an advance I will never forget, nor will the honeymooning couple.

What we did have was virtually every cabinet member, U.S. cabinet member, come through, all sorts of governors, including Rick Perry of Texas, who had a security advance akin to the Vice President's come and work with us, and more congressional delegations than I could count. We actually had at the consulate a sort of fixed plan for congressional delegations and it was something that has come in very handy for me in the OIG as I go around and I meet with posts that are struggling with many of these issues. Australia, being an advanced economy, we could contract out virtually everything. There were only two official vehicles for the whole consulate so we did not provide vehicles, we simply got a fund cite and leased as many vehicles or buses as they wanted. So right off the bat we set the stage that all this was being done at their cost, not ours. Hotel rooms, we had relationships with four or five different hotels and we would just get whichever one suited the needs of that particular CODEL (Congressional Delegation). Did they need a control room or not; whatever. The tougher issues were things like dispensing money to them, because when congressional delegations come they withdraw their per diem in host country currency, they do not use an ATM like everybody else. Because many of these CODELs did not actually come to Sydney, I would say that the Great Barrier Reef was the most-

Q: Because of its political importance.

MALLOY: Well, it was an environmental- they all had to look at the environment and go there, or aboriginal- there were many reasons why; one, climate change, that they all focused on Cairns or Port Douglas and Great Barrier Reef and Daintree River and all of that. So when we had an out of town site we would still need to dispense money to these large delegations so I would have to send my Foreign Service national cashier up to Queensland. We would charge the congressional delegations for our FSN's airfare and hotel costs and she would have to go to a local bank and make arrangements in advance and sometimes have as much as $40,000 in her hotel room to do accommodation exchange. Then, when they were leaving, she would have to do reverse accommodation exchange. And that was something that really worried me because of the possibility of theft or loss, it just did not make sense to me. And indeed a couple of years after I left during one of these CODELs- she was robbed and $40,000 was taken. She was held personally accountable for it, which was devastating and I felt very, very bad. That was the one weakness in this whole mobile congressional delegation.

We would deploy appropriate people to support them, always a management officer because of the logistics, planes, cars, customs clearance, money, accommodation exchange, and then depending on the group's interest or meetings, political officer from Canberra or an economic officer during free trade negotiations –CODELs almost always would have an FTA element. Either I would go or I would send somebody from the consulate if needed; it really depended on the composition of the group and what their interests were, but I ended up supporting a huge number of official visitors and like I said, they would land in Sydney and then go from there somewhere else, maybe one in 20 would agree to go down to Canberra. So usually the Canberra folks would have to decamp and come up to Sydney and perform their functions there.

We had a number of visitors that we would need to support in one way or another in addition to CODELs and cabinet members; you would have Supreme Court justices, key leaders of constituency organizations in the United States, military training groups, firefighters, there was an international firefighters conference so we had to support all of those and all sorts of trade missions. The other big support issue we had was, for some reason it just developed informally that Sydney became a regional pouch center so any pouches going through-

Q: You're talking about diplomatic pouches.

MALLOY: Diplomatic pouches. And diplomatic pouches these days are not just the bags but there were a number of big construction projects going on in the region. Any time you are constructing in a controlled area all the material and equipment has to travel via the diplomatic pouch. So it meant that my small information management staff was constantly being called out to the airport in the middle of the night or at O dark hundred. The courier would then want my staff to babysit the material while the courier went off and got a night's sleep. And quite often they would ask that we bring it back and put it in our secure space in the consulate. Well our secure space at the consulate was miniscule. I remember one Christmas Day for some reason I had to go into the consulate to get something and there was the information management officer and his wife struggling up

the cargo elevator with hundreds and hundreds of pounds of boxes that had just arrived on some plane that needed to be stored overnight. And the overtime costs were killing me, all coming out of my budget, so I eventually had to have a serious look at that. We ended up getting funding to hire a local hire cleared American to handle all of that airport work, which was a great help. We also ended the practice of bringing material into the consulate. If it needed a 24 hour presence the entity sending it had to provide it, and the reason for that was we did not know what was in the pouch or the classification level. So that helped in some ways but it was a huge thing.

We also had the mail for the military, mail for the entire Pacific region based at that consulate, so there was a staff of about 12 Air Force NCOs to handle mail for every carrier in the region. DOD would send the mail to Sydney and then the NCOs would forward it to the ship's next port of call. There was a huge volume of this work going on but it also meant that we had access to the military mail system, which was quite nice for us. All the retired U.S. military living in the Greater Sydney area, people who had the right to use that military mail, would need to come into the consulate, pick up their mail and send their mail so it generated a lot of traffic through our security processing out front.

But the whole issue of supporting visits, I am a big believer in that. The U.S. Congress really needs to see and understand on the ground the issues they were dealing with, and yes, there was a certain amount of shopping but no more than goes on when Foreign Service officers travel. You know, it gets overblown. It was a great opportunity for us to have conversations with them about internal State Department issues that we would never have an opportunity to discuss and to give them some insight as to why the Australians were taking certain positions that did not seem comprehensible to them. So I am not at all opposed to that kind of travel; the only thing is I- you really have to make sure that the cost to the post is charged appropriately to the congressional travel office and I was able to do that there. At a lot of posts I inspect around the world they are afraid to even ask for costs to cover overtime for escorts or whatever and they should not hesitate. The one gray area is escorting of CODEL spouses. Quite often there would be a spouses group and they would ask for a separate program and they would ask that the consul assign an escort. I could not use a U.S. Government employee to escort the spouses on a separate program, nor could I tell a dependent that he or she had to perform that for free. So that was the only awkward thing and I never quite- we would ad hoc each time, figure out how we would deal with that but there was no good answer to that.

Travel.

Q: Let me make sure the clock-

MALLOY: Sure. No actually we're at- we have done our two hours. I see we are at our two hour mark.

Q: Yes.

MALLOY: So.

Q: Should we stop here then?

MALLOY: Yes, why don't we do that?

Q: Okay. We'll stop here and we'll pick this up the next time- One of the questions I'd like to ask is a bit about dealing with the local government, both the equivalent to the-

MALLOY: To the state.

Q: -the state government, also the New South Wales, Queens appointment and all that, and then the American community, any problems, students, disasters, that sort of thing and migration to the United States, if that was a factor or not or if you ended up with spousal problems, children, that sort of thing. I don't know if that was pertinent but it could be.

MALLOY: Okay.

Q: And, you know, and there must be other things too. Okay?

MALLOY: Sure.

Q: Today is the 28th of August, 2009, with Eileen Malloy, and we are in Australia. And go ahead.

MALLOY: Well one of the things you asked me to talk about was dealings with the state and local governments in Australia, because that, of course, is the heart of work in a consular district as opposed to an embassy. I was fortunate that the premier of New South Wales and also the premier of Queensland, the two constituent parts of Australia in my area of responsibility, were both not only superb politicians but huge supporters of the relationship with the United States and very, very nice and open people. So from the very start they made clear that they were happy to help me do whatever needed to be done as far as bilateral issues and relationships. They saw it in their own interest and to the good of the people they represented. They were both wonderful politicians in the Australian context and it was great for me to watch how they worked, and one fascinating thing for me was in looking at the two of them, and they had such solid support within their- Bob Carr in New South Wales and Peter Beattie in Queensland, it was a natural question for me to ask them why they did not move to the national stage, as you would see here in the United States when a very popular governor would aspire to be President of the United States. They made clear that in the Australian system that just is not done, not because of a sense of protocol but because you spend your whole political career developing ties within the state party system and that does not translate well to the national parliament. And so while from my perspective I could have seen either of these men as highly effective leaders of Australia it just does not happen that way in Australia.

Q: Well was it also- I mean, was there that much power? Our president is so powerful but in Australian terms was it something to be aspired to, to be prime minister?

MALLOY: Well it was if you were a scholar like Bob Carr and a student of American political history. I mean, this man knew more than anybody I have ever met about the United States. He was just fascinating, and they saw it as instructive for the development of their own political system, which was newer and moving along the same trajectory in many ways, whether it was dealing with minorities or energy policy. So for him it would have been fascinating to have been Prime Minister but the reality is the subdivisions in Australia, the state of New South Wales for example, had far more power than a state in the United States would. In Queensland or Victoria, if you were premier there you were already at the top of the heap in many ways, especially in New South Wales because that is the gateway to Australia and the vast majority of official visitors don't go any further or if they do they go out to one of the national parks, so Bob Carr really had a great opportunity to interact with all sorts of Americans. I know he and Rich Armitage were very close friends. They were both members of the Australian American leadership dialogue that we talked about a bit more, where they would be together at least once a year if not more than that.

Q: Well did our political visitors who were coming there under- I mean, was this- I imagine part of your job to tell them how important it was to- this wasn't just the governor of, you know, a province, shaking hands with them and all before they went on.

MALLOY: Absolutely. Whatever the issue was, whether it was trade, the steps taken by the state government on their regulations, controlling imports or labor laws or trafficking in persons, these are all state level issues so it was incredibly important for our official visitors to understand that while the federal- the national level government in Canberra could set policy, in the end it was implemented at the state level. Even when we assisted, let's see, the entities in the United States that deal with wildfires up in Idaho, we have parts of the U.S. Government that direct the efforts to contain the fires that break out in our summer season all over the western United States, they had cooperative agreements with their Australian counterparts, which would be at the state level. So you might have an overarching government to government agreement that dealt with things like immunities and who picked up the tab but the real implementing entity would be at the state level. So I found at times it was difficult to separate what would fall to Canberra and what would fall to us because we might have not only the largest implementing entities in our area but also the media that could influence the way Australian people viewed these subjects and also the political input to force Canberra to shift one way or another. Because if you look at the population of Australia it's all- virtually everybody lives within a certain number of miles from the coast, on the east coast, and then you have one large city, Perth, out on the west coast. But in terms of voters and putting pressure on the Australian government in Canberra the vast majority of voters were in the districts that I covered. So at times Bob Carr would be much more important than a minister of parliament in Canberra representing a rural area.

Q: Well did you find American secretaries of various departments or probably subordinates or others coming out, were they briefed fairly well by the Department of State, the desk officers or what have you before they arrived or did you pretty well have to-

MALLOY: It varied. It really depended on- those cabinet members who were from foreign affairs agencies would generally have an in-house element that had already reached out to the State Department and gotten all of that information and had that well taken care of. Others that were not foreign affairs agencies would be less well briefed and I'm sure that there was always an offer from the desk but it wasn't always taken up. And sometimes the cabinet member would be coming for an international conference or a personal visit and that kind of visit would not necessarily get handled the way an official trade delegation might. But in all cases we would offer to set up meetings with Premier Bob Carr, if they were coming to New South Wales, or Peter Beattie if they were going up to Queensland. Up in Queensland it would be less common for people to go to Brisbane, which is where the Queensland government offices would be, and so quite often it would be a matter of seeing who we could attract to Cairns or Port Douglas if the U.S. visitors were going to the Great Barrier Reef or whatever, so it was less frequent that we would end up with those face to face meetings up in Queensland but in New South Wales if Bob Carr was in town he almost always made himself available. He was very, very good about that. And he understood, because of his own political upbringing, he understood the value of a congressional delegation, he understood the value of a trade delegation led by a governor; he was working those people for New South Wales. He wanted to attract investment, he wanted to set up trade, he wanted to make sure that these people understood why New South Wales was so focused on promoting its agriculture, its wine, because of course the Hunter Valley is one of the great producers of Australian wine products. He probably was more adept at this than your average Foreign Service officer would be; he was very, very good.

Also the New South Wales parliament, the speaker of the parliament would always make time to meet with groups, host different groups including the U.S. states that would send state legislators to visit NSW. We could always go to the speaker of the parliament, he was always very good about inviting us to sit in the gallery if there was an issue that was going to be debated that was relevant to the United States. Each of the New South Wales ministers, we would have close working relationships with them. And I don't know what it was like before I got there but a certain amount of the close interaction came about because of September 11 and the huge outpouring of grief and sympathy for the United States. In that process, as I said before, I ended up meeting all these people so where I perhaps would not normally have interacted with somebody who was responsible for irrigation and water policy I actually had met these people and so when I had a visitor who had an interest in these subjects I was able to point them in the right direction.

The other thing that I was responsible for was Norfolk Island, which is under Australia but it is not a state. In other words-

Q: It had been a penal island, hadn't it? Or-

MALLOY: Well, originally, yes, it was, and a lot has been written about that but the original reason that the British were attracted to Norfolk Island was the pines, the trees. When they saw this island with these enormous pine trees the first thing they thought was oh my god, here is where we can find the masts for our ships. They were determined to gain control of this vital, strategically vital natural resource, and the French navy at that time was also fiddling around in the area and the British were determined to stake claim to this island before the French got there. When they did manage to land there, because it is exceedingly difficult to land there, it is surrounded by coral reefs and you can only bring in a fairly, even to this day, fairly small boat over the reefs, and they got on the island, it turned out that these wonderful trees actually make very poor masts. They have an unusual structure where the branches sprout out in rings rather than throughout the trunk and it turns out it makes for a very weak point on the tree. Then having this new possession I guess they decided it could play a role in the overflow of the people who were brought to Australia as criminals and they started using Norfolk Island as a place of no return for the hardcore troubling-

Q: Sort of the Devil's Island of-

MALLOY: Right. And it later gained fame because of the "Mutiny on the Bounty" sailors who hid, who were not taken back to the UK for trial and they- and some indigenous women went off and eventually landed on and colonized a tiny island - Pitcairn - but that island was too small to sustain the population and so they petitioned to be allowed to move en masse to Norfolk Island. Most, not all, did make that move and so the population, the permanent population of Norfolk Island now is sprinkled with people who are descendants of these sailors. And when I made my first trip there, as I was being introduced to people, it was fairly common for someone to whisper into my ear, "and he's a Christian, you know," and I was thinking well, I'm Catholic so what does that mean? And suddenly I realized that it meant he was a descendant of the lead mutineer Mr. Christian.

Q: As in Mr. Christian, "Mutiny on-

MALLOY: And it is a fascinating island. By temperature and climate it looks like England. It is moderately- it is not terribly cold in the winter and it is not terribly hot; it's got lots of water and-

Q: There's a well known author who lives there, isn't there?

MALLOY: Colleen McCullough.

Q: I've read her books about the Caesars.

MALLOY: Yes. Wonderful books. She also wrote a book about Norfolk Island. She is married to an islander and she has a family history that goes back many generations to Norfolk Island. Helen Reddy was also living there when I visited, the Australian singer

who sang "I am Woman." She also had residence there. So you had this unusual mix, because it's a bit of a- it's a tax haven. The thing is it costs you an incredible amount of money to get there because you have to fly and there are only two flights a week so it is not like anybody would go there just for the shopping but once you are there it is not subject to all the taxes of Australia.

But anyway, it was part of our district and one thing I did when I was there, aside from meeting the notables, and, we went around and compiled information for the consular section on the hospitals and the police and what would happen if an American out there had an accident or if there was a death. I was surprised at the lack of medical care. There is a basic hospital but there was no embalming or anything so it would have been a huge challenge for us had we had an American die out there. And I did a radio interview on the local radio station and I spoke to the print reporters and it was a fascinating step back into history. I had already met Colleen McCullough and her husband in Sydney before this trip so we did go and visit with them. I brought my husband and my daughter and it was fascinating for her. My daughter also wanted to visit the cemetery at night to see if it was haunted.

Q: Was it?

MALLOY: We did not find any ghosts but we did get bitten by mosquitoes rather badly but we had a good time out there and I would happily go back to Norfolk Island in a minute, it is just a lovely place.

Q: Well you know, going back to the politics of the area, was there a political movement, party, leaders who made a point of being sort of anti-American or at least saying, you know, the United States is going the wrong way? I mean, usually there is and I mean, did you run across one of those?

MALLOY: Absolutely. Well, at this time the leader of Australia, of course, was a liberal which, remembering liberals in Australia, that is the conservative party, Labor would be analogous to our Democratic Party and Liberals would be analogous to the Republican Party. Many Australians will tell you that they like balance so if they have at the national level a Liberal government in control you are much more likely to find the states controlled by the leading opposition party, which would be Labor. Bob Carr in New South Wales and Peter Beattie in Queensland were both Labor leaders. But that does not mean that the Labor Party of New South Wales was anti-American. You would find much more of that rhetoric in Canberra or in the national parliament but of course there were many individual Labor politicians in New South Wales and in Queensland who were not as well disposed to the United States as the premier was and then there were a few individuals that were rabidly anti-American.

Q: Well there is within the Labor movement in England a rabid-

MALLOY: Yes.

Q: -you know, I mean, basically a Marxist-

MALLOY: Or Socialist.

Q: -and all the rhetoric, you know, sort of the red banner forever and all that sort of thing, and some of that leaked into Australia; was that a problem?

MALLOY: Well it was definitely there, definitely there, but it was well managed by the party. If you looked at the party platforms and the party spokesmen they do their best to marginalize those people, usually what you would find was those people were reflecting the views of their particular constituencies. Anti Americanism was real and it was out there and you had to address it. Those folks would tend to give me a wide berth; they did not really care to talk to me, I did not really care to talk to them, and there were so many people we needed to interact with, you know, I was not too worried about that sub set. But occasionally we would run into people who we did have to deal with on a regular basis who did have that opinion. At the city level, when I arrived the lord mayor of Sydney was a very, very interesting woman, Lucy Turnbull, who was part of a very important power couple; her husband was a major mover and shaker in liberal party circles but not yet a sitting member of parliament. He had been in business but he was gearing up at that time to enter politics at a national level. His wife came from a well known family, the Hughes family; her uncle was a well known writer about Australian history and her father had been a very important politician. She married Turnbull so she was Lucy Hughes Turnbull. They were interesting in that while they were members of the Liberal Party they were a well known Catholic family and most Catholics in the Australian context tend to be Labor members, not Liberals. So for many reasons it was interesting. But the lord mayor was very, very welcoming to me. Most people think the mayor of Sydney is the same as the mayor of New York but they do not realize that the mayor of Sydney is only lord mayor for a very small geographic footprint of downtown Sydney.

Q: Like the city of London or something.

MALLOY: Correct, exactly. Where in New York City, if you are mayor of New York City you are also mayor of Brooklyn, Staten Island; that was not the case there. So I actually had to interact with of number of local leaders but the most visible one, of course, was lord mayor of Sydney.

About midway through my tour there was an election and a new lord mayor took over, Frank Sartor, and Frank Sartor was what you were describing, somebody who was stridently anti-American. And on the whole he was pretty good because he was now lord mayor; I mean, it was not really a platform for anti-American policy but we did have concerns as to whether the city of Sydney would, for instance, come up with a ban on any nuclear ships coming into the harbor, as it was bandied about.

Q: A la New Zealand.

MALLOY: A la New Zealand.

Q: Which caused all sorts of problems.

MALLOY: At which point we simply spoke with the Chamber of Commerce and said well, maybe you should make known the financial impact each time a carrier or a carrier group pulls into Sydney, the amount of revenue that is pumped into local city coffers. You know, it is fine if they want to have a principled stand and then we will just redirect the ships elsewhere but it is going to hurt you guys more than us.

Q: Sure. A carrier group, you know, a couple of days port leave an immense amount of money goes-

MALLOY: Well at that time the ships that were coming in were on their first port leave since these guys had been called up for duty in Afghanistan and Iraq. You know, the whole thing. And as a matter of fact we had one pull in and while there is a prohibition on being on the streets in uniform, the SOFA (Status of Forces Agreement) agreement precludes that so our military have to be in civilian clothes. And I remember driving past this huge ship that just pulled in to the berth and there was a steady stream of sailors walking from the berth, which is right in central Sydney, up to the main shopping district and they were all, not in dress uniform but in khakis, and I was about to, you know, get on my high horse and get in touch with our military to point out that their sailors and marines were violating the SOFA, but it was explained to me that these folks had been called up so rapidly that they were all shipped out without a single personal article. This was their first shore leave. This sailors and marines bought out virtually every retail store in Sydney within the first two days. The sailors went in, bought personal clothes and after that nobody was on the streets of Sydney in U.S. military uniforms. They were allowed, and they worked this out with the local government, for about 48 hours to be on the streets because they had nothing else to wear. But if you could imagine the money they pumped into the economy. And it was almost like watching a trail of ants because you would have the khakis going up and then walking back in civilian clothes with their little bags and inside those bags were their khakis. They were obviously all under orders to go and buy clothes and whatever else they needed. So they never did pass that ordinance prohibiting U.S. ship visits but the whole time we were there I had a difficult relationship with this particular lord mayor, not personally but just the comments he would make about the United States.

For instance, there was- the last year I was there, around December the City would host a holiday reception for the consular corps. The consular corps in Sydney was the largest in the world with the exception of London, just under 100 countries were represented so you can imagine the strain of attending National Day receptions. I was always very happy when it was a country that we did not have relations with so I did not have to go to their national day event. The City of Sydney's reception was held in a hotel and there was security, which it was not the norm for these events. The security created delays and I guess the lord mayor was flustered because when he got up to make his remarks he bumbled about a little bit and then said "well I guess we have to thank Eileen Malloy for

the fact that we had to have security and this all got disrupted and late." It was really awkward in there and a number of my colleagues just turned and looked at me as if to question what was going on. But the lord mayor as an individual was renowned for running off at the mouth. But on the whole people who felt that way usually did not spend much time with us. There were a couple very important politicians who would not spend much time with me in public but if we called them up and said "look, we need to come and talk to you about an issue," they would always receive us.

Q: Well did you run against- not against but Australia, I mean, still, they're still settling the place. I mean, people are coming from all over. I know back in the '60s there was a little village in Macedonia and it seemed like half the population was trying to get into the United States and the other half into Australia. I mean, did you find yourself in these ethnic communities or were you sort of called upon to, you know, get out and wave your handkerchief and dance the kola from time to time? I mean, in other words, were you involved in sort of the ethnicity of the Australians, some of them?

MALLOY: Absolutely. Well, primarily we would restrict those efforts to countries or constituencies of concern. And so the wide array- there were 30 or 40 different ethnic constituencies that were Muslim that we became much more involved with; the Pakistanis, the Indonesians, the Turks, the Bosnians, the Lebanese and so on. But even within that, if you started interacting with the Lebanese there were the Lebanese Christians, there were-

Q: Druze.

MALLOY: Yes. There were all these subdivisions and then there were also the Lebanese whose families came to Australia 30 years ago and they were well off, movers and shakers, and they were disdainful of the more recent immigrants from Lebanon. And so in dealing with these groups we found ourselves very- we had to be very careful that we were not used as pawns within their own issues. So that was hugely time consuming, and my- part of the difficulty was time management, quite frankly, because the American constituency groups felt that we should be paying more attention to them.

And then I had this directive to work constituencies of concern to us and that left virtually no time for the normal work that a consul general would do, which is getting out to meet and greet with the Australian constituencies and the business community. So we were constantly running from one to the other and leaving everybody a bit dissatisfied. So what I tried to do was say well okay, I will have one event with the dairy producers a year; I will have one event with the sugar producers a year; I will- you know, I would at least get out there and try to meet as many people in one shot for that constituency. But then they thought that each year they would invite me back the next year and, by my second year I had this accretion of events I had to do plus all the new things. I would go out and watch the New South Wales Police, they were statewide police, and they would have training and graduation ceremonies. They would invite us out there and they had set up a memorial garden for September 11, so I would do that every year, and the firefighters I would do every year, and the Coral Sea memorial events I would do every

year. And there were other things so we ended up interacting more with the traditional Aussies in these ceremonial events and the ethnic constituencies were much more likely to be a dinner that would take four or five hours or an interfaith dialogue that would go on for four or five hours on a weekend or in one on one meetings. If I needed to understand what the Egyptian imam was really attempting to say in the fiery sermon that he gave in the mosque Friday I would meet with a member of the Egyptian community who felt comfortable talking to me and would say look, what is this really about. So there was this variety of interactions going on.

But it was difficult because my counterparts, for instance the Russian consul general or the Korean, they had a much more focused portfolio. It was dealing with Russian émigrés to Australia and dealing with commercial trade interests and issuing visas and that was it. That was all they were interested in, where my job was everything under the sun and it was just, for one person, an enormous job.

Q: What about the academic institutions? What was your feeling about those?

MALLOY: They- the people who ran the institution, let us say the deans or provosts; we had very good relationships with them. And again, going back to September 11, one of the first things that we had to do was make contact with all these universities and set up structures so that American exchange students could be kept apprised via email contacts and knew how to reach us; there was a whole lot of consular work connected with that. And so we had very good relationships with the universities. We also had excellent relationships with them from a public diplomacy point of view as they were all connected to our information resource center. They would all be invited to the televideo conferences and events that we put on when we had speakers in town, and also through Fulbright, because we were very active. My public affairs officer was actually on the Fulbright board and we would spend a lot of time with them. So our relations with the administrator/management elites at the universities were very good. The professorial groups, that again was where we ran into a number of people who had a visceral antagonistic relationship or attitude toward the United States. And I think I mentioned before I had one student get in touch with me and say I'm in this political science class and the professor is continually talking about U.S. policy this and that, and I'd like to invite you to come in and address the students so the students would have some balance to what the professor and in this course students are allowed to nominate speakers to come in. So I agreed to do it and he went to negotiate a date with this professor and the professor refused to allow me in the classroom to address his students. So it just- that was perhaps the most extreme example of it. But when a university was open to having us come and speak to them we would steel ourselves and go and do it and it would be lively and a frank exchange of views but it was the only way to begin to break down these barriers.

We also worked well with the universities up in Queensland, much less antagonistic relationship up there. Many of the universities there were focused on science and technology and had hopes of becoming major players in nanotechnology and other high tech science. Where Premier Bob Carr was a political geek, Premier Peter Beattie of

Queensland was focused on science, technology and how to grow jobs for Queensland, because his challenge was jobs. He said no matter how many jobs he was able to create he always ended up in the hold on employment because Queensland was the Florida of Australia, it was where everybody wanted to move for the lifestyle. And so he was constantly getting people, Australians, moving in from the outside and so his focus was creating new jobs for all these folks. And those who work in science and technology have less propensity to get into metaphysical dialogues on political science. There was a different relationship.

Q: They have a- I mean, it's a whole different strata of thought and contacts and everything else. I mean, the science world doesn't do politics.

MALLOY: The other constituency up in Queensland, there were a lot of the military bases and these are bases that had a World War II tradition of cooperation with the U.S. military; we still have a lot of U.S. military on training rotations with the Australian military in that area. There are relationships with some of the universities, like up in Townsville. There are universities that specialize in tropical medicines and all sorts of environmental issues connected with the Great Barrier Reef and there are thriving relationships with U.S. universities and lots of American students there. So much less of the kind of animosity that you would get from what we called the "Chardonnay set" down in Sydney.

Q: Yes, the chattering class.

MALLOY: Yes.

Q: Did- Speaking on consular matters, I come from- my experience is there was no such thing as the Internet I think by the time I retired but I was wondering, I would think that Internet email connections with American citizens could become an important part of consular operations as a matter of contact and all. Did you do that?

MALLOY: Oh absolutely. Again, September 11 was a turning point because before that it was not a requirement that an American citizen register at the consulate. Most people saw absolutely no need to do so. But after September 11 people did want to have that contact and so it was in this time period that the State Department came out with electronic registration, which was great. Also, we set up in the consulate an email response system. We could not take phone calls all day long because you would never get anything done and it was difficult to get through our phone tree, so we set up an email address where people could send us questions. We would make a commitment to respond within 24 hours. So that was very helpful.

We were not yet at a stage where we could transfer documents by email and I know the Department is moving ahead on that. But one thing we did, and this came about before I arrived in Sydney but in connection with the Olympics was they put all- every possible consular form that anybody could need on CDs and they went around and visited every major hotel, any place where Americans were likely to congregate and gave the CDs to

the concierge. The concierge could then use the CD to help any American who lost his or her passport, instead of just saying go to the embassy he could download- hand them the forms, give them the information on getting the photos, what the fees would be, so that when that person walked into the consular section they would be ready to go right then. So it was a major step forward.

Q: Oh yes. Oh, this is-

Something I've noticed as obviously a news buff and all, and I listen to the news and particularly the premier news thing, "The Lehrer Report" and all, when they'd haul in experts sort of- they may be from New York and all but I detect a hell of a lot of Australian accents.

MALLOY: Oh yes.

Q: And also in finance; I mean, you've got the movies and the movie stars who can quickly switch into an American accent but, I mean, what is there about Australia? It seems to be punching much higher- way above their weight.

MALLOY: Absolutely. Well, you're right. I mean, if you look at international business, if you look at the arts, if you look at finance, and even political science; I mean, look at the State Department. Martin Indyk was our ambassador to Israel, he was Assistant Secretary; he was an Australian citizen. He naturalized as a U.S. citizen so he could be a U.S. ambassador.

Q: He was the head of AIPAK, American-Israeli Political Action Committee as an Australian.

MALLOY: The head of Coca-Cola, I believe, was an Australian citizen.

Q: Yes.

MALLOY: So these are people who have always seen themselves as international players because the market in Australia is too small. And because of Internet connections and because of high speed telephone communications, faxes, and Australians' propensity to travel around the world, these people were always playing for the international stage and not just for the domestic stage, and the talent is enormous. It would be the exception to have an American corporation in Australia run by an American; nine times out of 10 it would be run by an Australian citizen.

Q: Probably been over in the United States at one point-

MALLOY: Correct.

Q: -and worked their way up through that hierarchy.

MALLOY: Worked their way up. For instance, Boeing in Australia is run by Andrew Peacock, who was the Australian ambassador to Washington. So these are people who know both countries intimately and do a very good job. And again, that made it a little difficult for us because normally if you wanted to deal with U.S. business you would go to the American Chamber of Commerce. Well these folks didn't necessarily feel that they needed the Chamber of Commerce. The Chamber of Commerce in Sydney was not the powerhouse that it would be in other places. In Moscow it was hugely important. You needed the Chamber to stand up for you, the Chamber was the way you expressed your views to the American ambassador, to the visiting U.S. Secretary of Commerce; in Sydney it was much more diffuse because these CEOs being Australians in Australia had other channels by which they would convey their messages so we had to work extra hard to reach out to them.

But the other- I should mention the other player in all of this was the Governor, and we talked a little bit before that because Australia is a part of Queen Elizabeth's realm the head of state of Australia is not the Prime Minister, he is head of government, but Queen Elizabeth is the head of state. Queen Elizabeth appoints a governor general to be her representative for all of Australia and then she appoints a governor for each of the states. The governor in New South Wales was Governor Marie Bashir, who was ethnic Lebanese though Christian, so she represented one group, and she was a well known psychiatrist who had a brilliant career and had done a lot of work with the aboriginal communities. Her interests were education, mental health, health issues, but also because she was Lebanese she was very interested in trying to find ways to promote interfaith understanding. She was kind enough to speak with me about how she felt these efforts could be promoted in New South Wales. I benefited greatly from her counsel. Her husband, who was also Lebanese, was one of the premier rugby players in Australia and was one of the founders of the Rugby World Cup. It was really nice that World Cup was held my last year in Sydney and he got to watch Australia play in the final. Sadly the Aussies, at the very last minute, unfortunately, lost to the Brits.

When I was leaving the Governor and her husband offered to host a dinner for me and my British colleague, who was leaving within a month. We were told we could each invite a couple to bring with us. So my husband and I talked and we decided to invite a local high school teacher who worked in the Sydney public school system which like the Washington, DC school system is challenged. Most Sydney students go to private schools, as did my child.

Q: I assume the- other _____ of all the immigrants who come in-

MALLOY: Immigrants, aboriginal, islander, so you have ethnic conflicts, you have low income, poverty, so this teacher and his wife had devoted a lot of time to these issues. So we invited them and they actually had a great evening with the Governor because they shared all the same interests. And we found out later that the Governor did not do that for all departing ambassadors so that was actually something special that they did for us and we really appreciated it.

Q: Well you know, all the things you're telling me, I would think that you would have- it would be almost impossible not to crosswise maybe not with the ambassador but with the embassy. I mean, you know, because you're where the action is.

MALLOY: I was so lucky that I had an Ambassador who felt that he could empower each of his consuls general. We had daily conference calls, as I mentioned before, Monday through Friday, if he was in Canberra we had a late afternoon conference call and that way he could tell us what he wanted us to know about, what was top of his list of priorities, etc. We would tell him what we were doing and he would say "hat's great, go out and do that," or "well, you know, maybe you should pull back a little bit because I'm about to go off and see all these people." It worked really, really well and in his opinion the more I could get out and be visibly active as a positive player in the interfaith dialogue, the better. And his only caution, and I took it to heart, was that we not be viewed as an advocate for any particular religion. So I was equally active in the Jewish community as I was in the Christian community as I was in the Muslim community. And that worked well.

Q: What about chief of the economic consular section? Because, you know, I mean, you're treading on a lot of toes there.

MALLOY: Yes, definitely. And I was very, very lucky with that as well. As a matter of fact the officer who was the head of the economic section in Canberra my last year in Sydney is now the consul general in Sydney. She understood those ties. We would go down to Canberra quarterly and meet with the various heads of section. I would ask them what was their top two or three priority topics. What they wanted me to be pushing at cocktail party receptions, what they wanted to hear about? For instance, they felt that all federal members of parliament were really their contacts. And so I would go out and call on a federal MP only if the embassy got in touch with me and said, "could you ring up so and so and ask him X, Y or Z because I can't get up there this week." So that-I would not normally initiate that on my own without talking to them first. One of the members of parliament for Queensland, who was a contact that I was very interested in, has since gone on to become Prime Minister, Kevin Rudd. He was clearly going to be a very important member of parliament and future player on the national level, and so the embassy did want to control contacts with him and try and reserve that for the Ambassador or the DCM. And so we just talked it through and on the political side, I think I mentioned previously, we would feed information into Canberra and they would prepare cables and that was their desire; they did not want us doing cables on our own. By year two I made clear that that was generating problems for us because from Washington's perspective we were not doing any political or economic work and they wondered why there were reporting positions there. So we did change that a bit.

But for instance, during all of the intensive economic reporting on the trade, free trade agreement, the political/econ officer in Sydney would have explicit instructions from Canberra as to what they wanted to know about how the people of New South Wales or Queensland would react to any particular proposal. So we were very much acting in concert with them. The couple areas where we were on our own was reporting on various

Muslim communities. Canberra would read our reporting and vet it before it went to Washington but they had no control over it because they were not there. We also had the best access to reporting on some nuclear activities. There was an entity from Russia trying to set up a satellite launch station on Christmas Island. Christmas Island is controlled by Australia and it is right up on the north in the sea up there. The closer you get to the equator the better off you are in terms of launching a rocket. So this was an ideal spot and we, again, we were in the best position to watch that. We would meet with the business entities and report on that. But for everything else we worked very closely with Canberra.

I think the only area where we would run up against problems was in public diplomacy. And that was because the head of public diplomacy in Canberra when I first arrived wanted to control it intensely from Canberra and yet the lion's share of activity would be carried out at the constituent posts. I really needed him to devolve more budgetary resources and control to the PAO at my post because when I was offered opportunities under the old system I did not know whether that would be the only event I would have all year or one of 10. I could not decide what was more important; was it worth putting this amount of money into this event? By year two, when he moved on and a different person came in that relationship changed and improved as well.

Interagency we had really good cooperation from the players in Canberra with one exception. The FBI had some internal coordination problems and so it was not at all unusual for me to pick up the "Sydney Morning Herald" and read an article about some high ranking FBI person giving a media interview at some event in Sydney when I did not even know this person was in town. And there did not appear to be coordination with the FBI rep at the embassy, either. I mean, it was more of an internal Washington problem. And with DOD we generally had a really good relationship. The only dispute was over the care and feeding of the 70, 80 PEP (Personnel Exchange Program) officers. We also had some disagreements over who was responsible for vacationing U.S. military who had entered under the SOFA using their military ID card but then lost their ID. They would show up at our doorstep out of hours but and we could not issue them a military ID and we could no longer issue that transportation letter that used to be the easy answer. We had been instructed by the Department not to do that anymore, which meant the Defense attaché's office in Canberra had to take responsibility for them - something which they did not want to do. So a number of these poor servicemen would end up spending the weekend sitting in the lobby of our office building waiting for someone to come and take care of them, which made us feel terrible. But Defense was actually- it was just confusion. Again-

Q: Well, you know, you were there from when to when now?

MALLOY: I arrived in 2001 and left in 2004.

Q: Okay, you were there during, basically, the Bush I, I mean the Bush II first administration. This was a very confrontational time for the United States. As presidents and administrations go, it's my recollection this is probably the most unpopular time that

we've had. I mean, it was around- well, everything you could think of, including the letter of challenges to the Europeans, you had Secretary of Defense Rumsfeld and Vice President Cheney being dismissive of foreign policy, you mentioned the FBI, the Department of Justice is kind of running its own thing; in other words it was a difficult time, I think, for the whole Foreign Service because international considerations were not a consideration of the administration. I may be overstating this but you know what I'm saying. And how about for you, I mean how did you feel personally about this, and this had to be a difficult time no matter how close our relationships were with any country; in fact, it could be even worse because there must have been a strain.

MALLOY: There was, and what made it even more difficult was this sudden swing of the pendulum from all the support and the sympathy for what America had suffered on September 11, 2001 to this intense animosity a few short years later. Washington took for granted that the Australian public would accept and support, if not openly then tacitly, the invasion of Iraq. That was not the case. The local Iraqis who had immigrated to Australia, of course, were elated and in the first days after the military action and before it started to fall apart there was actually a lot of interest in helping Iraq get back on its feet, getting ethnic Iraqis to go back there and play a role, companies interested in competing for contracts to help rebuild. There was a short, brief window of opportunity when people were looking at it pragmatically, and I remember we organized or assisted the embassy to organize a huge presentation on job opportunities out there in Iraq. But then it did start to go bad fairly quickly and the threat against American interests in Australia started to rise.

We relied on the Australian Federal Police for threat assessments of that nature plus we had the regional security officer down in Canberra. We did not have a security officer in Sydney with us. But we started getting more threats coming directly to us or indirectly picked up by the Australians and the angst level of the other tenants in our building, which was already quite high after September 11, again started to rise. What made it worse was there were anti-American demonstrations again and that made the other tenants in the building very nervous because a number of years ago when the U.S. Government had a- before the visa waiver program the visa process was conducted down on one of the lower retail levels of this building and the lower levels are filled with all sorts of very high end jewelry and fashion places. There was a demonstration against the United States when protesters came through and trashed those stores. So now at this point one of the major jewelry stores started to move out of the building and down the street; they were fearful that this was going to happen again.

We are asked by building management to remove any American flag or any sign from any of the public areas. The building management, which was under intense pressure to get us out of the building, was simultaneously telling us they were not going to renew our lease when it ran out and at the same time on their website they were advertising the fact that we were in the building as a valued tenant. It was all very confusing. We could not really gauge where they were going with all this. But they came to us with a proposal and said that the other tenants did not want to associate with our staff or clients in the elevators and therefore they were going to dedicate one of the elevators to us. And this is a World Trade Center building with different banks of elevators for different floors, so

there were six elevators that in theory could stop on our floor. And what they were proposing was that we be reduced to one, which was a huge security problem because now the public would know which elevator to bomb to get the Americans. Or if you were sitting in the lobby you could tell who worked at the consulate just by watching who boarded that elevator. So we had to negotiate, all of which was very time consuming, but in the end we negotiated passes for staff members so that we could use these passes to stop any of the elevators at our floor. We leased some space on an intermediate level for consular section's screening and waiting room process. The consular clients would be escorted up this dedicated elevator- controlled elevator to our floor in batches, because we did not have enough room to hold them all up there. But the key was to get the line of people out of the public lobby area in order to make the other tenants feel more comfortable.

The other thing we did because there was general nervousness around town was to hold an emergency action committee meeting to develop a plan of action to reach out to U.S. business interests, students at universities, etc. We decided each Friday afternoon we would make a round of phone calls to different American companies that had expressed interest in getting briefings from us and we would share the latest of what we knew, whether they were demonstrations planned, things that should be avoided, etc. We would keep in touch with the foreign student advisors at the universities and they would pass on messages to the American students. Georgetown University ran a program at one of the universities in Sydney, always had a large number of people there. And I would make a number of these phone calls myself to some of the corporations just to keep those relationships going on.

There were a number of demonstrations but none that broke out in violence. The only really neuralgic one was one group that announced that they were going to demonstrate at my residence. Now, my residence was up in a chi-chi residential area; it is an area called Double Bay, which many people called "Double Pay" because of course everything was much more expensive. The neighbors were not particularly thrilled to have us there. They saw us as a threat. We had a permanent police presence outside the main gate, which some neighbors took advantage of; whenever they would go on trips they would park their cars in front of the police car. We had one family that actually complained when their car was stolen insisting that it should have been watched by the policeman right there. The Australian federal police told them “sorry but that policeman actually has other duties and isn’t there to watch your car.” We always had to run the license plates of these parked cars because the police were worried they might be bombs, they did not belong to the neighbors. It would turn out to be people who lived blocks away who had heard- because car theft was a real problem- that if you were going away for a trip you should park your car over near our house because there was a federal policeman there 24/7. But aside from that little security benefit they were not too thrilled with us being there and if we had an actual demonstration go up the road that would have been the last straw. Plus it was a residence; it was not a place of business. So that was the one time that we put a lot of pressure on the city not to issue a permit for the demonstration. If someone wanted to demonstrate at the consulate, that was fine, and the typical thing was that a leader would come up to our offices to present us with a letter.

Q: But you know, beyond sort of the demonstrations, you must have had an awful lot of your contacts say what the hell's going on in your country. You know, because this was so, A, this wasn't- this harks back to- I go back to the McCarthy period and it wasn't of the same type but it smacked of this, intolerance and-

MALLOY: Well the typical comment I would get was more along the lines of - "I've always been a friend of the United States but I just don't get this policy and I can't support this policy." And it would be more in sorrow than anger and not only the American officers but the Foreign Service nationals were getting the same thing; they were being called upon to explain U.S. Government policy on Iraq. My daughter, who was then a ninth grader in a private school that was very much of the chardonnay and brie crowd, some of her teachers would call on her in class and tell her she had to explain this U.S. policy, which was really rude. Other American students were getting the same kind of pressure.

One thing we did was we worked with the political section in Canberra to develop what I called "cocktail party talking points," something at an unclassified level that I could share with the entire staff so that if they should get hit up on this over the weekend at a barbecue or something, they knew what they should. We did not want them to disavow the U.S. Government, we did not want them to say "oh, I'm just a consular assistant, I don't know anything," so we tried to work up brief talking points so that our people felt a little more equipped to respond to these comments. And we freshened these talking points up each weekend. But the signs were there and a couple of things happened.

I actually started getting bomb threats at my residence and that was very disconcerting. The first one came in while I was at work and the Australian Federal Police called and let me know immediately. My daughter was at the house, alone with the two ORE staff. And so of course the first thing I wanted to do was get in my car and go and get my daughter but my security detail objected - that was the last place they wanted me to go. They would not let me go to an area that was under threat and at that moment they were calling in the bomb squad. We finally compromised and they sent one Australian Federal Police officer, a woman who had been on my detail for quite a while and actually had accompanied the whole family when we went on a trip to the interior of Australia so my daughter knew this woman; they had her go and pick up my daughter and bring her to a friend's house. Then they did the bomb squad and the whole thing and there was nothing there but the disconcerting thing was they traced the incoming threat phone call to a pay phone booth four blocks from the house, down on the little retail strip in Double Bay. So you think that had to have been a local resident; if you were a professional, if you were a terrorist you were not going to go and stand at a pay phone down the street from the house. So it was just an indication of the animosity.

And then the house next door to me, somebody had spray painted on the side of the house, the side that was only visible to us, "die, die, die," which was a little disconcerting. The police had to knock on their door and talk to the family who lived in that house. It turned out the family, the husband was Australian, the wife was Muslim and

I forget from what country and the children, one of the boys had done this, the parents did not even know about it and they were, of course, mortified. But it was just- turned out to be a child but it was an indication of the stress levels everybody was under.

The worst was towards the end of my time. I attended a speech that Bob Carr was giving, a policy speech, a huge conference- hotel conference room, ballroom filled, and a luncheon and Bob Carr, who has been the most pro-United States person through thick and thin, this was his public announcement that he could no longer support what was going on in Iraq. He expressed intense criticism of the U.S. Government and everybody turned around to look at me. I had been invited to this event and then I was blindsided. Nobody from his staff told me he was going to be making these statements and I was furious. I mean, I understood, he had every right to make his public statement but why put me in this position? So at the end- I did not get up and walk out in the middle of this speech because I did not want to call media attention, that would have been the story; I waited until he finished his speech, everybody applauded, and I then I got up and left. I had had enough. Well, it turned out that his plan was to finish his speech and then he was going to come over and sit down to have a little chat with me. When he walked over to my table I was already gone. And I went back to the office and I sent a message to Rich Armitage and said, Bob Carr just made these statements and this was indicative of where we were in Australia. If you have Bob Carr publicly expressing these doubts and concerns there was something truly wrong.

Q: Well, I mean, you know, I've been interviewing Beth Jones who during this time was our assistant secretary for European Affairs and she was talking about how she, along with Secretary Colin Powell and Rich Armitage, you know, were putting out fires, dealing with the Pentagon, particularly with secretary of defense and all this, having real problems but how about you? I mean, you know, you're sort of our of the business; I mean, I'm asking you after you're out of the of- I mean, were you having problems?

MALLOY: You mean with the policy?

Q: Yes. You know, dealing with- This was such a change from our other pol- We've always had policy dif- you know, I mean, we're American citizens and we have ideas and we carry on as we're supposed to but this was such a confrontational time. Did this-

MALLOY: It was difficult because one thing I have learned in the Foreign Service is that we do not have all the facts. Unless you are working in the NSC, in that inner ring you really do not have enough facts to question a government policy. You have to have a certain fundamental level of trust. And at that point I was still trusting the government and my Ambassador, of course, was trusting the President and the government. I would have to say that I did not lose that trust until Colin Powell resigned, and for me, when he and Rich Armitage left the State Department that meant there was just something fundamentally wrong. But I was not presuming before that to be in the know. From what I could see, and of course I had spent a number of years working with OSIA (the On-Site Inspection Agency) on arms control inspections in the USSR, and I was familiar with inspection protocol and how you look at weapons and arms and so to me it was entirely

plausible that if Hussein wanted to hide this material that he could do it. So I was not sure that I could- I would not have presumed from my vantage point in Sydney to know enough to dispute policy.

Q: And also, well I mean, was our prisons at Guantanamo Bay a controversial thing at that time?

MALLOY: Hugely, hugely. And again, we talked a little bit about that, that there was an Australian being held there and so it was more than a theoretical issue. The Australian government was under intense pressure to demand his release. But behind the scenes, then you get into all kinds of discussions about well what happens when he is released, and is this somebody that there really is solid evidence against, and is there concern. And that was all carried on at a Canberra level government-to-government so we would be getting information secondhand. It was very, very tense. I don't think that the consul general in Sydney normally finds herself or himself subjected to the kind of animosity that I was from certain groups of people. But at the same time I would just think back to my first year there when I received extraordinary support and assistance from the vast majority of people I encountered and that carried me through all of this. But I can't say I was sorry to leave because of the tensions.

Q: Well it was a very difficult time I think for the Foreign Service, because many of the themes that we've been carrying on had been almost disavowed by the administration. It was-

MALLOY: It was difficult. And the interactions at a consulate like that are always what we call retail; you are giving speeches, attending ceremonial events, attending receptions, meeting with school groups, interacting face to face with people so when people do not like the U.S. Government it is you that they want to express that to. And so even if you went to an event that was otherwise pro forma, there would always be two or three people who would want to jump up and get in your face. And the media in Sydney is wild; I mean, it is the kind of place where they will write about an interview with you when they have never even met you.

Q: I mean, I take it that the media was much more of the British variety, which-

MALLOY: Yes, wild place.

Q: You know, I mean, I've always been astounded by the staid British and then look at their papers and, you know, Rupert Murdoch, my son worked for for a while.

MALLOY: Who is Australian.

Q: As Australian, you know, and I mean, is the epitome of this very partisan and not very accurate.

MALLOY: But there were the other major newspapers, ones that had solid analytical people and we would bring the Ambassador up and put him together with the editorial boards, really serious people but they also had very strong views. It just- it was a tough time. It was not- I think a lot of people who served in Sydney have had just wonderful, wonderful times in not a very substantive job but in this period it was very wild.

Q: There could be- As a junior officer I go back, and I didn't really feel it except I felt it personally, the McCarthy period. You know, this wasn't easy, Cohn and Shine and all and I was there at the tail end but it was not a pleasant time.

MALLOY: It was one of the few times that I had to defend policies that I did not myself feel were the correct ones. You make a commitment when you join the Foreign Service that you will represent the person of the President and the government; you do not have the luxury of saying I do not agree with the detention in Guantanamo therefore I am going to trash it. People are not looking for Eileen Malloy's view; they are looking for the U.S. Government's view. So indeed that can be a huge challenge and as a Foreign Service officer you have the right to resign at any time if you have a fundamental disagreement. Throughout our history lots of people have done that, for example over Bosnia policy, Kosovo policy and Ann Wright resigned over Iraq. So that option was always out there. I felt that I was actually doing something important in terms of taking care of U.S. interests in New South Wales and Queensland.

Q: Yes.

MALLOY: But it was not easy. And I know the Ambassador came up to Sydney and gave a major, major speech akin to what Colin Powell did at the UN to make the case for why the United States had to take this action in Iraq and not everything that we were led to believe turned out to be correct but you have still got to support your government.

Q: Sure.

MALLOY: That was a tough one.

Q: Of course, we didn't really know at the time. I mean, you know, I listened to Colin Powell's speech, which I guess he'll always regret because it turned out he was given, not necessarily false information but misinformed information or information that had been interpreted by partisans. I'm trying to be nice about it too.

MALLOY: It did not pan out to be as correct. But yes, I mean, these were really, really difficult times across the board and I never knew when I met people at a dinner party, at a reception, I never knew how they were going to react. Were they going to fall into this minority of Australians that would be just viscerally vocally anti-American or not. And sometimes it was not apparent at first blush because I know I set up a- our Ambassador was coming up to Sydney and I was setting up a dinner party at my residence with leading members of the business community, not the American but the Australian business community. I had invited a husband and wife who I had met a couple of times as

he was extremely important in business interests with the United States and she was charming. And so I put her next to the Ambassador and boy, did I get an earful from the Ambassador later on because she spent the whole evening making snide comments about the United States and U.S. Government policy and just used this opportunity to torment him. And of course he could have responded to it but he said to me, "I don't need to be entertained; I want somebody substantive next to me." So the key was I had to find the highest ranking female and put her next to him.

Q: I'll never forget, I think it was the British agent in Bahrain at the time I was the vice consul in Dhahran and this is not a separate state but it was an- the British had an agent there and I mentioned the fact that I was having to put together the guest list for our Fourth of July and his wife, who was- she was Scottish, said oh Fourth of July, that's what we call Thanksgiving Day. And he turned to his wife and said no dear, and then realized- oh well.

MALLOY: Yes, you know, there is facetious humor; between friends you can do that. But when there are strangers, no, no, no, no. But on the same hand- we were about to have a storm- the same political dynamic meant that when we had visitors like former Vice President Gore, it was a hugely successful visit. He came to speak at a major environmental forum and this was the first time I had seen him after his presidential campaign and he was relaxed; I mean, it was the best performance I have ever seen from him. He made fun of himself but he was totally committed to this environmental forum. It was before the movie, "An Inconvenient Truth" actually was put out but the presentation was very similar and very slick, well done. He just bowled them over. So he fed a need by Australians who, first of all, are predisposed to support environmental initiatives. I would not say "green" because that is a different thing, but environmental initiatives and much of the substance of what he was championing. Also a lot of these people, being Labor, Australian Labor Party supporters, felt that he had been robbed of the presidency and they would have wanted him there instead of Bush so that was a very important visit.

We also had Giuliani come. That was-

Q: He was the mayor-

MALLOY: Of New York City.

Q: New York City.

MALLOY: September 11, but at this point he had left that job and was now on the speaker's circuit. Right after September 11 there were many efforts made by different groups of Australians to get Giuliani to come to Sydney to give a speech. There was a huge appetite for hearing how he had managed this crisis and also a great deal of sympathy. I mentioned, I think, before that Bob Carr had arranged to invite a large group of emergency workers from New York City and their families on an all costs paid vacation in Australia, in New South Wales, actually, just six months after the World Trade Center collapse. So for the whole three years I was there was this great appetite,

"we've got to get Giuliani, we got to get Giuliani." So in the last year I was there finally he agreed to come. He was going to give a speech. He filled a major ballroom, everybody was there, and he gave a pat speech about being mayor of New York and cleaning up the graffiti and did not even talk about September 11. He did not seem really engaged and it just fell flat. And the contrast with the Gore appearance at the very same hotel, if I remember correctly, was just amazing. So that was kind of disappointing. But, you know, that's the way it goes sometimes.

The other thing I wanted to mention- well, a couple other things.

Q: Can we stop for just one second?

MALLOY: Sure.

Q: Yes.

MALLOY: So it was now summer of 2003 and in this atmosphere of anti-Americanism and fear of the United States and what it was going to do because, of course, Australia always felt that it would get dragged into a military conflict that would harm them, because you have Australians in Iraq and in Afghanistan. They were there both as- in Afghanistan as actual units deployed there but they were in Iraq because there are so many Australians embedded in U.S. forces that when the battalion that they were embedded in got shipped to Iraq then off they go, so even if the Australian government did not have a fighting force on the ground in Iraq there were individual Australians there. So there was this fear-

Q: Could you explain that? I mean, whether-

MALLOY: Most Americans do not realize the robust cooperative relationship between the military in the United States and the military in Australia. Same as we have with the British and the Canadians, to a certain extent. And as part of becoming interoperable, interoperability, a word I can't say, they have training slots in both countries. American military officers will be assigned for a tour of duty to a training slot in Australia, so they might be getting Special Forces training, they might be doing some other specific activity, and they are doing it right alongside Australians and also there are assignments at actual action positions. So you might walk into an office in a military unit in Australia and sitting there performing one of the jobs would be a U.S. Army, Air Force, or Navy officer. In the United States, either at bases around the United States and the Pentagon, you might find an Australian sitting there doing the same exact thing. So if an Australian was assigned to, I don't know, a hypothetical unit at MacDill Air Force Base down in Tampa and that unit was activated for deployment for Iraq, that Aussie goes off to Iraq with this unit; he does not stay behind in Tampa. So you did have Aussies in harm's way, even if you did not have an Australian detachment fighting on the ground. Plus they also had Australians on the ground protecting their diplomats. But the bigger fear was that somehow this would all embroil Australia in a conflict with China or their neighbors to the north, so there were very real reasons for fear.

On the first anniversary of September 11 we had a memorial service but now we were looking ahead to what were we going to do for the second anniversary, which would be September 11, 2003. For a lot of reasons I did not want another memorial service where everybody got together and was sad and people were worried about attending for fear that it would become a target of demonstrations and- anyway. I had a wonderful intern; each summer I had an intern, I had three of them in my tour there, and I tried to find activities that would be more than the standard collating and photocopying. These people pay their own way to go to Australia, they do not get a stipend for housing; it is expensive for them but it is free labor for me so I wanted them to get something out of it. So I came up with an idea and I first got permission from the Ambassador. I said what I would like to do was instead of a memorial ceremony I would like to have a campaign in honor of those who perished on September 11. We would engage in- we the consulate employees, would engage in community volunteer activities and our goal would be to generate one hour for each person lost on that day. We agreed it would be 3,000 hours because there was still a great debate as to how many people had perished between Washington, Pennsylvania and New York so we picked a round number, 3,000. And we talked through ground rules; obviously we would not be working for political organizations where we could be charged with interfering in Australian internal politics and we would not do things involved with small children where you need vetting from police beforehand, but what we had to do was come up with an array of activities where somebody could walk in cold for one or two hours and do something productive. So once I got the buy in from the embassy I turned this over to the intern and said, “okay, I need you to get on the Internet, find entities, get in touch with them, ask if they would want to work with us, have them identify what a volunteer would do and get all the pertinent information." And he did this over the course of the summer, did a wonderful job and came up with an array of activities - everything from planting trees on Arbor Day to Meals on Wheels, Habitat for Humanity, soup kitchens, any particular interest an individual might have we tried to come up with something, even including pets, going out to- taking care of animals in shelters. And he got all the contact information and their logos electronically and worked up brochures. We called this campaign “Make the Day Count.”

We then went out to the American affinity organizations and the major American corporations and said this is what we were doing; if they would like to join with us this was how we were marking the day. We were not organizing a memorial ceremony. And our PD folks had some great contacts and we set up the kickoff event. We worked with the city of Sydney that had some trashed municipal land along the canal and an NGO that was promoting planting of native Australia plants as opposed to these hybrids that were imported and needed too much water. The goal for our kick off activity on 9/11/2003 was to reclaim the land and plant 3,000 native trees and bushes. And so we basically had to put the word out and get Americans. This was the place for anybody who wanted to do something on that day, to go and do something uplifting, and it was a fantastic success.

We had hundreds of people turn out; we managed to remove the trash and the weeds and lay the garden all out. The NGO provided the trees and plants and another organization took on the commitment to go and harvest the seeds so that this garden would become a

renewable source for seeds for these native plants, which would then be handed out for free to people who wanted to use them in their gardens. And the city of Sydney provided money to pay for gardening and upkeep. Once a week a crew would go out -- the workers were mainly people doing community labor for the courts, you know, people- or work for the dole people would go out and keep it up.

So it was a huge success and people brought their families and the thing was- the feedback was that everybody felt good about what they were doing instead of depressed and sad. For this neighborhood, it was in a low income to middle income area and this had been a counsel estate, and you know how government housing is, how the land gets abused. The local people were skeptical at first but then as this garden started to grow they got very excited about it. I went back to visit it a year after I left, so that would have been in summer of 2005, not only was the garden thriving, some of the trees were up to six foot in height. They had walkways through all of these bushes; it was so popular that the housing estate on the other side of the canal had asked if the city could do the same thing for them. They did not realize it was not the city that had created the garden; the city donated the land and provided funds for maintenance but this was a community effort. That particular activity gave us a lot of hours because we counted the time that people put into that but over the course of 10 months we engaged in everything from soup kitchens to a massive Habitat for Humanity build. We had so many people there we overwhelmed them. We taught retirees and elders in communities how to use computers; we stuffed envelopes for fund raising for different diseases; we got out on the streets and flipped pancakes to raise money for another- And it had a huge effect.

We did not publicize what we were doing; that was one of our fundamental decisions, that we were doing this for us, but inevitably the media found out about it and the question always was "why are you Americans here doing this? What does this have to do with you?" And we would say, “we’re here doing this because this is part of America, this is what we do, we volunteer." So I- most of the people working around me, the Australians were there because they were forced to do their court ordered community labor, they could not understand what I was doing there. And the other benefit was wherever I went I had a security detail and so they would have to get there on a soup line and help out along with me. Some of them got into it and quite enjoyed it. But we really, really made an impact with what we did. The biggest benefit, though, was internally, and I think I have mentioned in a previous discussion that we were very stratified in the consulate, there was no cafeteria because there were food courts down in the retail stores, there were no gathering places and so people in different agencies and sections did not have an appreciation of what their fellow workers were doing. We would send teams of volunteers out, mix teams on these activities; basically one person would use the list of these approved groups and they would go out and volunteer and then send an email around and say "I’m going to go walk pets at such and such a time, would anyone like to join me?" And people from different units would come together based on their interests and they would get to know each other and benefit from that contact. And we found that the internal morale boosting and information sharing in the end was more important to us than the original reason that we did this. It was a fantastic thing and I know that when

Ambassador Schieffer went on to Tokyo he approved a similar project there that had very similar results. He was a great supporter of this.

Some of the other consulates joined in and did it on a small scale and they would report into us and a little bit was done at Canberra but nine-tenths of all of this work was done either by the staff at Sydney or people from the affinity organizations who would do it and call us and say "okay, I went out and spent the day at Habitat and I'd like to register that time." And it improved our ties with these American corporations and the affinity groups as well. So it was something that I was particularly proud of-

Q: Oh yes.

MALLOY: -when I was out there.

The other thing that we did was, as often happens, when you take on a new job you inherit all of the artifacts left by your predecessor so I had a good 20 years worth of books and items that had been given to consuls general that they left behind when they went on to their next job. The place was packed so I decided I needed to clear some of this out. I went through and packaged up and sent back books and artifacts to the Foreign Service annual book sale. They were very happy to get those. But in this process I came across an old handwritten ledger and sat down to read it. It turned out to be the historical ledger from the U.S. Consulate in Brisbane, Queensland that had been there forever and a day but had been closed about oh, 15, 20 years before I got to Sydney. Somehow this daily register did not get sent back to the Department, it was still sitting on this bookshelf out there. It was where the consul would record what he did each day. I noticed in flipping through it that it suddenly stopped and there was a long gap and when it started again the handwriting belonged to a different person. So I did a little research and it turned out the record has stopped because the U.S. consul had been killed, was killed in a plane crash, which turned out to be the largest civil aviation disaster in Australian history. He was flying on a trip around Queensland and the plane went down. And because of the rules in effect at that time for having your name on the wall in the State Department lobby, simply being killed while on official travel did not meet the grade and so his name was not on the lobby. He had been completely forgotten. Well the rules have now changed so we wanted to make a case to have his name added. We ran up against a bind because under the Freedom of Information Act the Department would not give us any info on the man so we could not contact his relatives.

So I had a new intern, this was my last year, and so his special project was to find if there were any living relatives of this gentleman. He went on the Internet and indeed found somebody and called this person who turned out to be a daughter. The daughter put us in touch with the wife, who was still living, and we got her permission to release- she needed to authorize the Department to go back and find this man's personnel records and bring them forward and share them with us. Then based on that we were able to write the recommendation that his name be added to the plaque. And it was done and-

Q: For those that don't know our operation, in the main diplomatic foyer of the Department of State are plaques with those people who were killed while on duty and it goes back to 1775, I think; Palfrey was the first one. But anyway, it's a way of memorializing those who were killed and so it's quite- and every Foreign Service Day once a year the secretary of state makes a speech and if any names are added.

MALLOY: And it was amazing that this had been forgotten because I- in my next meeting with the premier of Queensland, Peter Beattie, I asked if he was aware that a U.S. consul actually had died in Queensland in the line of duty, and he had no idea. And so he directed his staff that all due honors be paid within Queensland. We were in the midst of this really tough time in bilateral relations just trying to get people to remember our long shared history so it was touching to have the premier be so supportive. The following Foreign Service Day this gentleman's name was added to the wall in the lobby of the State Department in the annual ceremony. I was really pleased that they invited the intern, who was no longer, of course, an intern, they invited him to come down from Pennsylvania to attend the ceremony. They also invited me but I was off on an inspection so I was unable to be there but every time I go into the Foreign Service, the main entrance there on C Street I am pleased to see this gentleman's name on the wall. His wife and daughter came to the ceremony and they were really, really touched.

Q: Good for you.

MALLOY: So that was an important thing for us and did not get wrapped up, actually, until after I left but we got that started.

You had asked me to talk a little bit about consular work. Now, I see we are just about out of time; do you want me to-

Q: Why don't we do it the next time? Because you know, I mean, you're consul general, you're doing consular work and the protection and welfare of Americans, the visas, things that are- because really we should have been talking about them more, you know, sort of almost diplomatic work.

MALLOY: Yes.

Q: So we'll talk about that next time.

MALLOY: Okay.

Q: Great.

Today is the 4th of September, 2009, with Eileen Malloy, and we're talking- you were consul general in- it was Melbourne, wasn't it?

MALLOY: Sydney.

Q: Sydney, from when to when?

MALLOY: Two thousand one to 2004.

Q: Okay. By the way, I was looking at a TV thing which was on the BBC News talking about their opera house and apparently it's a mess, I mean, as far as maintaining and, you know, it looks beautiful but operating inside is not the greatest thing. They were talking about the orchestra having "Don Juan" appear over the timpani when, you know, it was just- it was not designed for presentations like that. Did you run across that? How was the opera doing when you were- I mean the opera house?

MALLOY: Well the opera house actually has a number of different halls. There is one for opera and there is one for symphony and one smaller one. And it is high maintenance. It is a very unusual shape but for the attendee or the viewer it is absolutely wonderful. I got to go to something there which was a showing of the old black and white silent film "Phantom of the Opera," and they used the enormous organ at the Sydney opera house, it is one of the largest in the world and had just been restored. They used it to play the traditional music that would have been played in an old fashioned movie theater. The organ was played by the son of the man who used to play the organ for this very film in New York City. It was just phenomenal; the sound quality and the whole atmosphere and everything. Really, really enjoyed it.

I also got to go into one of the other halls frequently because American school groups would come over, high school and university symphonies. The high point of their time in Australia was that they would get to perform at the Sydney Opera House and, of course, as consul general I would always be invited to attend these performances. They were usually very good. I had many opportunities to be there. So as a person sitting in the audience, it was always a wonderful experience. The Opera House also had a great restaurant, which is still there. You can sit there as night falls and the sky turns to this wonderful blue and darker and then the sun goes down and you can see the harbor on both sides, and you have ships sailing around you as you sit there and have your meals. Spectacular. So, I mean, I was thrilled.

We actually held the July 4 National Day celebration 2004 at the Sydney Opera House and it was a great place. They have cocktail reception areas at the very end overlooking the harbor and we had our largest acceptance ever for that one. Everybody- The only thing that was a bigger draw was if you had a U.S. aircraft carrier come into town, which they did the following year and they held the U.S. National Day on the aircraft carrier. But other than that, the Opera House was the prime location.

But I could not speak to the situation behind the scenes, though I will have to say almost every congressional delegation with spouses, would be- we would arrange a behind the scenes tour of the Opera House and they could go through and see the opera sets and be shown how the sets were moved around.

Q: Okay. Well, let's talk about consular operations.

MALLOY: Well, in Australia initially, like every other country in the world, visa applicants would have to come in and apply in person for the most part. So there was a very large volume but a relatively low percentage of fraud cases. It was a country similar to the United Kingdom, France, Germany where you expend a huge amount of time interviewing each person for very little result. So when the visa waiver program was instituted, of course, Australia qualified right away because the- one of the criteria was that you could not have over a certain percentage of your visa applicants go bad; that is, adjust status, overstay, whatever, and of course they qualified. When that happened the physical structure of the consulate was changed because they no longer needed large areas for interviewing and processing all these tourists and short-term business travelers. They only needed an area large enough to deal with temporary workers, immigrant visas and third country nationals who did not qualify for the visa waiver. So they got- they gave away the large retail area in the building that we were located in and all consular work was consolidated on the higher up floors, the 80s, because this is quite a large building, 86, 87 floors up and the applicants would come up by elevators that served the entire building. We would perform our security processing in the small vestibule area. The applicants would be screened and then admitted to a smallish consular waiting room but it served our needs.

Well, September 1, 2001 changed worldwide visa practices and while the visa waiver program continued all those applicants who had not been required to make a personal appearance now had to physically come in. The consular officer could no longer say here is a temporary worker who has had three visas in a row and I'm just going to renew it- application by mail, instead the person had to physically come in. And there were also changes not so much connected to September 11 but for other reasons to passport processing. So any minor child, one, and then subsequently both the parents had to come in because there were all sorts of issues with passport fraud and custody and things like that. So the traffic of persons into our facilities quadrupled and all of a sudden we had- it was far beyond the capacity of our vestibule so we had long lines of people waiting down on the main floors of the building and that created all sorts of security problems for us and image problems. As I mentioned the last time we talked, pressure from other occupants to get us out of the building. But from a consular perspective what happened was since we could only accommodate X number of people each day we had a long waiting list for visa appointments and there was a direct correlation between the length of a wait for a visa appointment and the number of phone calls to the consul general and the Ambassador's office requesting expedited processing. It generated a whole new workload of trying to deal with people who had urgent travel.

So one of the things we had to do was pioneer a system to accommodate this and what we did was we kept a certain number of appointments empty every day for time urgent travel. We came up with some countrywide definition of what would be considered time urgent, because the person running the consular section for me in Sydney was also the coordinator for consular work throughout the whole country. And they made some other changes. They did away with the requirement that you apply only at the consulate that served your area. In other words if you were from Australia and you were in Perth and

the wait was too long in Perth and you wanted to bring yourself to Sydney where the wait was shorter you could do that. So we made a number of procedural changes but as soon as we would change and adapt there would be a new regime, and I am sure you recall that they came out with extensive name checks and waits for people of certain nationalities. So where you might have before easily walked in and been processed for a visa because you were a 30 year resident of Australia who happened to have kept your Pakistani passport now all of a sudden you were facing a three month wait, and we had to cope with that. And then they instituted all sorts of requirements to scan all background material connected with every application, a huge new workload. Well we did not have scanners, we did not have people to do that work; we ended up having to hire all sorts of extra people and get money to buy all these scanners. So it was an extremely difficult time period where virtually every aspect of consular work got bogged down and we were constantly dealing with angry people. It reminded me in many ways of the old days in London on my first tour when British citizens had to come in and apply for visas; a huge exercise, the big difference being that the people in my consular district in Australia were having to travel vast distances and in many cases having to pay up to $1,000 in airfare just to come in and apply for a visa for a passport.

So two things happened quickly; tourism to the United States started to drop. You know, if you are about to go off on a quick vacation why would you pay that extra money and put up with all this extra hassle? You would just go somewhere else. The second thing we saw was student visa applications from both Australians and third country nationals started to drop. The third country nationals, it had been extremely popular for people to come to Australia for a year, learn English language and then apply to U.S. universities. It was much less expensive to get that English language study done in Australia and Australia's visa system was more flexible and open. Well, with all these changes now that first year we had so many third country national students miss the start of classes because of these new visa checks and word got out that the United States was no longer a welcoming place and the number of student visas started to drop. Well both of those - international students and tourists - are huge earners for the United States. People do not realize how much our colleges and universities rely on that full bore tuition paying foreign student. I think most Americans have the impression that foreign students are all on scholarships, which is actually not the case. Or if they were funded they were funded by their own government. So it took about a year but there began to be a backlash from universities in the United States and a lot of the big tourism operators that saw this decline in traffic but there was nothing we could do because the U.S. Congress was absolutely adamant that these procedures on interviewing everybody in person be followed absolutely strictly, to rule, and they had good reason for that. I mean, it goes back to their concerns about the people involved in September 11 and how they got their visas though, to the best of my knowledge, all of them got legitimate visas, they were not overstays. But, anyway.

We had pressure on the third country national visa program, we had tremendous pressure on the visa waiver program and there were signs that Congress wanted to eliminate it altogether. We had huge pressure on the passport program and on the student visa program. The only bright spot out of all this was that people who before would never

have set foot in a consulate for any reason now had to come in personally to get their visa. The prime minister's son who was going off on an exchange program had to come in and get his visa in person. We never would have asked the Prime Minister's son to come in, in person, but because of biometrics he had to come in and put his finger on the pad and get fingerprinted.

And then all of the Australian performers, actors, actresses that you read about all the time, for the first time ever they could not send in their passport, they had to physically come in themselves. So that was a little bright light for the staff members who occasionally got to hold Russell Crowe's hand as he or she put his fingerprints on the computer screen. These VIPs were all lovely about it. They read the newspapers and they knew we had absolutely no discretion in this.

It was very, very difficult when we would have the seasonal visa peaks—Australia's seasons are different than ours, obviously our summer is their winter, our winter is their summer. We would get in a very short time period 5,000 plus Australian college, university students applying for temporary work visas to go and work the ski resorts all through the Rockies. You had to process them very, very quickly. We could no longer do it in batches using intermediaries; we had to actually bring the students in to the consulate and interview them. The students had to pay their own way to travel to Sydney and in a country the size of Australia that could be a real hardship.

So the system was crying out for some way of batching. My Ambassador was really, really great, and he asked me if there was any "out of the box thinking" that could be done. We explained the whole issue with the Hill and the fact that the Bureau of Consular Affairs at the State Department was under tremendous pressure, indeed this was when Mary Ryan was removed as Assistant Secretary because the perception on the Hill was that she was more interested in service than security. That was the mantra.

Q: She was head of- I mean, there is a perception she was left- the one person in 9/11 that was essentially eased out of the government when actually she was doing exactly what Congress wanted her to do.

MALLOY: Yes.

Q: She was the fall person.

MALLOY: Well, anybody who has worked in a consular section knows that you are inundated with letters from congressional offices saying, you know, please issue a visa to this person and do it quickly.

But anyway, I even explained that to him. He still wanted ideas, because this was becoming a bilateral irritant with a key ally. Here you had the Government of Australia that had committed itself to standing shoulder to shoulder with the United States in Iraq and Afghanistan and yet we were treating their citizens as if they were untrustworthy in terms of visa issuance. It rankled Australian citizens. So I described to him a couple ideas and he, of course, had the ear of the President, could work at very high levels. The Ambassador wanted to come back to Washington and give this a shot. What I suggested be done was that we take the consular flyaway kit that you have in the event there of a disaster, an air crash or something, you have laptop computers already loaded with all the information and basically you have that little suitcase ready to go on a moment's notice so you can go off and start working. And my thought was that you could adapt that and use it in two instances; one, if you had a group- if you had 500 students at one university

in Queensland then a consular officer could go to them with this laptop computer, get the biometrics, interview them on the spot and bring it all back and process it and then return the visaed passports by mail. The other instance, in countries where we have faith in the integrity of the host nation passport system, such as Australia, England, Canada you approach the host government and reach an agreement to allow a U.S. consular officer to work in the host nation passport office, let us say in Brisbane, Queensland, one day a week. The U.S. consular officer would use the fly away kit laptop computer and as people got their Australian passports they could walk over to the window manned by the U.S. consular officer to make an application for a U.S. visa right there. The consular officer would then bring all the information -biometrics, the host nation passport and the visa application- back to the consular section for processing. The Ambassador liked the idea but it just did not fly at that moment in time in Washington; there were concerns about the chain of custody of the biometrics. At that time they felt that the biometric information had to be entered immediately into the State-controlled computer system at the consulate. But he did empower me to go and shop the idea around and I- there were a couple of U.S. interagency consultative groups coming through Australia for various other reasons such as consulting with the Australian government on biometrics, so he empowered me to travel down to Melbourne or wherever they were to sit down and run these ideas past them and see if we could get their help to refine them.

I was really pleased a couple years later to learn that Embassy London actually did pick up the flyaway computer idea and the Department authorized them to do a pilot test. And the first instance that I was aware of was the Royal Ballet. I guess hundreds of ballet dancers and support staff needed visas in one shot and the consular officer was able to take the computer and go up to take the biometrics and interview them on the spot rather than bringing these 400 or 500 people into the embassy. And they had, of course, sent in all the visa forms in advance, the name checks were all done in advance. The Department is only now, and here we are what, eight years later, beginning to look at these out of box ideas. But at the time I was in Sydney there was no relief. We just had to find a way to make this work.

Q: It reminds me of something that would have horrified if Congress knew what we were doing but in Yugoslavia we had something like the Macedonia choir going to the States and the choir director would come up and of course in a communist country, you know, you'd have to- you're supposed to ask everybody, person to person, are you a member of the communist party. We'd sit down with the choir master and say who's in the party and who isn't in the party and he'd go through the list, oh, I think so-and-so, I'll let you know, and all. We'd do it that way. I mean, because no way could they afford to all come up and travel and do that.

But tell me now, with- I mean, what you have is a situation where we're really concerned at this point about Islamic fundamentalists who are- I mean, that's what the whole thing was about, basically. I mean, there were other things but somebody, I mean, you can have your Pakistani who's a 30 year citizen of Australia who may be a fundamentalist. Were you having to almost kind of racially profile or, I mean, was there-

MALLOY: Well that was the allegation but our visa processing was done by citizenship. If that person born in Pakistan, a long time resident of Australia, took out Australian citizenship then they would qualify for the visa waiver program. Now, they may still encounter difficulties at the port of entry with the U.S. ICE (Immigration and Customs Enforcement), immigration and citizenship folks at port of entry, that was a whole different layer, but they would not even need to come to see us to get a visitors visa. Actually this stimulated a number of long term residents of Australia to go out and take that final step and get Australian citizenship. So it was not so much racial profiling. You also, if you think back to the British Raj and how many people were born in what was then India, which was both India and modern day Pakistan and Bangladesh, so you had a number of British of Scottish, Welsh, or English descent who just happened to have been born in Pakistan and, of course, they were caught up in this extra visa security checks as well.

Q: I know we used to have real problems if you happened to be born in Pakistan of say British parentage but not British citizen. I mean, they would fall under the Pakistan quota, which meant at one point we were issuing 100 a year for immigrant visas.

MALLOY: Yes. But I just want to refine what you said a little bit. It was not Islamic fundamentalists but rather people who had ties to terrorism, because you could be a very, very orthodox Muslim and still not in any way, shape or form, be a danger to the United States. And some of the most traditional orthodox Muslims were the ones who were saying publicly that the Koran says that the killing of innocents is wrong.

Q: Oh no, but the spirit of the times was such that if you happen to be of a background that is Islamic in tradition, this set off all sorts of, rightly or wrongly, all sorts of warning signals.

MALLOY: And it still does among certain people now in the United States but what shattered everybody and made this so much more complex was the emergence of homegrown terrorists, the Richard Reids. In Australia they had people like that who were converts to Islam, in the United States we have had them, in the UK they had them.

Q: Well the Oklahoma City bombing. That wasn't Islam, that was anti-government.

MALLOY: But we had Padilla and, you know- Anyway, that is what confused this whole thing. But at that point in time, yes, there was this almost naïve thinking that if we would just filter through these nationalities we would be able to screen these people out. Now, what I found many years later when I inspected Pakistan was in the Pakistan community there are maybe 10 common family names. I mean, the commonality of names is so incredible that one-tenth of the people have the last name Khan, let us say hypothetically, so when you use these visa screening procedures they are so blunt that they stop virtually every Pakistani visa applicant. There was no way to determine whether this Mr. Khan was indeed the Mr. Khan of concern as opposed to the other one million Mr. Khans. So Pakistani people would be besieging the Ambassador's office not only about their treatment during the visa process but also for those who did manage to get a U.S. visa

and go to the United States they were unhappy with the manner in which they were treated upon arrival, with the heightened physical security, people being pulled off for extra examination.

Our Ambassador in Canberra would also get complaints from Australians about their treatment at U.S. ports of entry. He would just say to each of them, there is a system, a methodology that the ICE folks have to decide who needs extra screening and he would point out that he would get it every single time he boarded a plane in the United States. And it was true because the Ambassador would fly home on a one way ticket with multiple stops because he would be giving a speech in one place and then going on to Texas and then going to Washington. He did not know exactly when he would get back so he would get his return ticket in Washington. That meant that he set off a number of alarm bells and so every leg of his trip he would get identified for extra processing. It was actually kind of amusing because when the Aussies would start harassing him about how poorly they were treated he could look them in the eye and say well, I have to submit to it; it is what we're all living with right now. He was very, very supportive; in other words, he did not just dump that all back on us in the consulates.

But it was a time period when we all struggled because we- I had spent my whole career up to then trying to find a way to provide the best, most efficient service consistent with the need to ensure that nobody was admitted who would be a threat to the United States. But the number of changes, the rapidity of implementation, and sometimes the contradictions between the different requirements made it virtually impossible for us to provide quality service in this time period. I really felt for our consular people. It was a horrible time to be performing visa work.

Q: I assume- were the Australians doing as they- I used to run across other times every Australian, New Zealander, when they sort of graduated from high school or college would have their vanderyar because, I mean, they're stuck down on practically the edge of the world-

MALLOY: Well they call it a walkabout.

Q: Yes and they want to get out and get out and see the world and the United States is an obvious-

MALLOY: That has changed a bit. It used to be that the expense of getting out of Australia and the time involved in traveling out of Australia was so great that they would do that once in a lifetime trip. They would go all the way around the world and they would work a little bit in each country to get enough money to go on to the next. The Government of Australia has bilateral agreements that make that legal in a number of countries. The big problem was the United States where they could not work legally. But that has changed because the time and the expense of travel is not as great as it used to be. You will see them going off for two to three month trips because they get so much more annual leave than we do; it is unbelievable. I mean, you start right off at a job with one month and then after a time you would get two months a year and then after 10 years

you get a one time long term leave of three or four months. So people had lots of vacation time and it is possible on an overnight flight, to get to LA or up to Bali. So there were many more shorter trips going on. We were frustrated because if we could not capitalize on that, if we could not issue visas to some of the safest travelers in the world when their economy was booming and they had lots of money to spend, we were in fact shutting them out of the U.S. tourism market.

Q: Were there Australian communities, so to speak, in the United States? Sort of place, I would think- these would be people who could go anywhere.

MALLOY: They do not huddle together. That is something that I have always regarded as the weakness of Americans. When we go overseas to experience overseas but then we want to be living like Americans and so we huddle together. Australians tend to be completely dispersed and because of the high level of their educational abilities, the fact that English is their native language and the fact that they have lots of Asia experience means that you will find lots and lots of Australians in that arc of Thailand, Indonesia, Singapore, but also in New York City, London. These are people, as we have mentioned before, fighting well above their weight all over the world but they tend not to cluster and hang out in identifiable groups. I can pick them out when I hear the accent more often than anything else. The one exception being the summer workers. So if you go to a ski resort in Utah, Colorado, or across the border in Canada up at Lake Louise you will stumble over so many Aussies and Kiwis you would be surprised. And that is just a function of them taking advantage of the reverse season and those temporary work visas; they are not there as tourists.

Q: How were relations, did you see it at your level, between Australian and New Zealand?

MALLOY: Aussies would be a little disparaging of the Kiwis. They would look at the Kiwis as being socially a little bit behind, , more back in the 1960's. If you say society in Australia was similar to the 1950s in the United States, then New Zealand would be 1940s. They sometimes would be disparaging about the Kiwis in terms of security, saying that the Kiwis wanted a free ride on the Aussies coattails and that the Kiwis felt comfortable with their no nuclear stand knowing that they would still derive protection from the Australian-U.S. military alliance, which was true. They also felt the Kiwis did not invest much in their own national security in terms of defense forces because they were just assuming the Aussies would take care of them.

There is also, as I understood it, New Zealanders could come and work freely in Australia, they did not need any special visa, and so there was a little bit of unhappiness over that on the part of Aussies who were looking for jobs. Ozzies, as my daughter would correct me; Ozzie, Ozzie, Ozzie, not Aussie. But when times get tough they all hang together.

Q: Yes.

MALLOY: This is like two brothers fighting with each other.

Q: Did you have sort of protection and welfare, missing Americans, Americans getting into trouble and jail; I mean, was this much-

MALLOY: Oh yes. Well, the- most of the Americans incarcerated in Australia were convicted on drug related charges, people who mistakenly thought that they could act as couriers coming back from Asia through Australia, so we had a number of those. And the Australians had a very effective system for picking up people.

The next biggest category of problems would be people who experienced problems diving. About a dozen Americans a year would die in scuba diving incidents and it was- it sounds like a large number but compared to the number of Americans actually visiting it was miniscule. Most were ruled to be cardiac problems and there were a number related to jellyfish stings, Irukandji. There are all sorts of jellyfish- if you have ever been to the Baltimore Harbor Aquarium for their jellyfish exhibition you would be amazed at the number and variety of jellyfish. Well, this is one that is tiny, tiny, tiny, you can barely see it, and therefore it is hard to protect against it. And if certain individuals have a predisposition to heart problems and they get hit by one of these they will usually drown and it is quite often mistaken for cardiac arrest. So at one point the Department was wondering whether we should put out a travel advisory stating that it was dangerous to go to Australia and scuba dive. Well, it is dangerous to go anywhere and scuba dive.

Another problem was that people were flying in and diving the next day, when you need to give your body a certain amount of time to recover from the extreme high altitude of the plane to the deep sea altitude. The companies that run the dives give you all the information, make you fill out a form saying you have-not been flying but people lie about the fact that they just got off a flight and dive anyway. I mean, it was a very difficult thing. So we publicized the jellyfish problem, well publicized, and tried to make sure that all that information was out there but even on congressional delegations, I mean, I actually had to intervene with one congressman who wanted to dive off the Great Barrier Reef and was filling out the forms asserting he had not been on an airplane when I had been on the airplane with him the day before. And, you know, you just have to say I do not want to take you home in a body bag, sir, thank you very much. I think maybe scuba diving- snorkeling would be great for this and let us not go down there. So that was a problem.

We had a small plane crash where we lost, tragically, a man on his honeymoon. He and his wife were coming back from a diving trip. As they were waiting to be picked up there saw that there was a family that would be separated on two different planes - you know, these little four, six-seater planes - and he volunteered to stay back so the family could all sit together. He flew on the subsequent plane and his wife went on the first one. Sadly his plane crashed and burned on landing. So she survived, he did not. That was a very difficult case. Because I mentioned earlier my trip to Norfolk Island to look at the facilities and how things would be handled; we were covered in Sydney or Brisbane or really anywhere on the mainland but when people had an emergency, a life threatening

emergency out on these islands off the coast there usually was absolutely nothing in terms of medical response.

Q: Did Australia, the ambassador, have any sort of island responsibilities up in the, you know, I mean, we had a lot of- there's a lot of islands out in the Pacific; were any of those-?

MALLOY: No, those are all the responsibility of our Ambassador to New Zealand. What we did have in the consular section and informally in other sections is a big brother mentoring responsibility for the embassy in New Guinea. Our consular section was supposed to provide expert advice to them because they usually had one barely trained new consular officer looking at- here you go.

Q: We're looking at a map now and of Papua, New Guinea.

MALLOY: Right. Now, of course this half is Indonesia but this half here is an independent country, the capital is Port Moresby, and so Sydney is the first stop on the way in or out of Port Moresby.

Q: Yes.

MALLOY: My coordinating consul general would periodically travel there and fill in for the senior officer and do some training, and it was very, very tough because it is such a violent place. Even though the hotel was a block away from the consulate she had to be driven, she could not walk, and she could not go to the beach. She was essentially trapped in her hotel room or in the consulate because of the terrible violence in Port Moresby. But we would support them even though it was not a constituent post; there was actually an Ambassador there. We also, I mentioned earlier the U.S. Air Force mail system for the entire Pacific region for all the PACOM fleet was run out of Sydney. I had a large group of Air Force NCOs out at the airport and a smaller group physically in the consulate running the APO. And they provided APO services to Port Moresby as well. We did have a problem there with, and I may have told you this, people- you would get a congressional delegation or a Washington visitor to Port Moresby who wanted to buy these masks, you know, the big carved wooden tribal masks, and they would try to send the masks back to the United States via the APO, not realizing that between Port Moresby and the APO in Sydney the mask had to travel by international mail. This meant it would have to clear through Australian customs, and of course Australian customs would not admit any of these wooden products because of their quarantine. So we had a lot of difficulty sorting that out and in the end we simply provided written material to the people at the embassy in Port Moresby that they could hand to these people, saying that it could not be done. Not that they did not want to be helpful but any material that could not clear Australian quarantine had to go back on the plane with the congressman, it could not be shipped in the APO because the APO started in Sydney, not in Port Moresby. And that actually helped the embassy staff in Port Moresby a good bit.

But we did not have responsibility for any islands other than the ones off the Great Barrier Reef and as I mentioned, Norfolk Island. Earlier we talked about that. Down south, of course, well, Tasmania, a huge island, is one of the states of Australia. Then there were a number of smaller islands that would have been part of Melbourne's district and up north you have a number of islands like Christmas Island; that also fell into Melbourne because they had-

Q: I would have thought that would have been Perth.

MALLOY: No, I believe it was Melbourne's, if anybody. I mean, there was very little there. I mean, the only time there were any issues was the space launch site that I was talking about.

But it is a huge country. People do not realize that if there was a consular emergency you were talking about traveling a thousand miles to reach the person. Fortunately most of our American citizens were clustered along the coast and fairly accessible.

Q: Did you- Did it happen on your watch the Bali bombing?

MALLOY: Yes.

Q: I mean-

MALLOY: Sadly.

Q: I mean, did that have an effect- Could you- What was your- Might explain what I'm talking about and then-

MALLOY: Yes. Well when I arrived and we went through September 11, we formed relationships with universities where there were clusters of American students. Probably the most common question I would get from them was, "I'm going to hop up to Bali on my spring vacation; is it safe?" Because all their fellow Australians would be going up to Bali. It was an inexpensive, quick hop up there. I pointed out that the one difference between the travel advisory put out by the United States for Indonesia and the travel advisory put out by the government of Australia was that we said all of Indonesia should be avoided, was not safe; the Australian government said all of Indonesia except Bali. They considered Bali still to be- I mean, nothing can ever say it was safe but they did not advise Australians against visiting Bali. And I would say to them, quite frankly I wouldn't go there myself. So, would your parents want you to go there? So we would have these discussions. I have no idea how many of them went or did not go; they did not have to tell us.

Q: What was the problem?

MALLOY: Well, the problem in Indonesia was Jemaah Islamiyah, JI, was the, it is a terrorist group that had already conducted a number of bombings in Jakarta. There was an

attempt to bomb the Australian embassy up there; it was a group that was publicly saying that they were going to kill foreigners, including Americans and those who were supporting the United States, which of course was Australia. Our youngest daughter, I think she was five-ten when she arrived in Australia as a seventh or eighth grader and was still growing madly. She was six-three by the time we got back to the United States, so if you think about that that is a five inch growth spurt in three years. This child was like the Purina Puppy Chow puppy dog with the little legs. So, anyway, she was on all sorts of basketball teams and one- she played on the City of Sydney's team, the girls' team, and over two years we got to know the other families quite well, traveled a lot with them for away games, virtually every weekend we were with those families. And we came up to the end of the season and if they won the last game of the regular season the girls would go on to the finals. But unfortunately they did not win that particular game so our season ended a little bit earlier than we had expected. I was going off on a business trip to Norfolk Island, my husband and my daughter were coming with me, but a number of the other mothers and daughters went off to Bali. It was an end of season celebration. There were all sorts of Australian sports teams there, it was a very common thing. Had I not had this trip to Norfolk I would have actually been tempted to go along and break my own rule but we did not go. That was when Bali was bombed. And two of the mothers were killed, one of her teammates was killed, another one badly burned and left without her mother. Fortunately other Australians took charge of this young lady and got her home safely. It was just hell, probably one of the toughest things that I have had to do in my career because it crossed the line between my job, which was expressing the grief of the American people, and my personal life. Attending the memorial services, because it took months to identify and retrieve the bodies and eventually the funerals for these people were just devastating. And watching my child go through this and knowing that I had inflicted this pain on her by virtue of my job was really, really, really tough. One of the low points of my time there, I have to admit though my pain was nothing compared to the grief experienced by the families of those who were lost in Bali.

But it is hard to convey to an American the pain caused by the loss of the 90 or so people killed in Bali. For Australians it hit virtually every aspect of Sydney life. Everybody had either a close friend, a relative, or a co-worker killed. If you looked at it percentage-wise it was so much larger than what September 11 did to the New York area that it was just incredibly difficult.

Q: Did that seem to have any repercussions on Australian/Indonesian relations that you were-

MALLOY: It did and it also, of course, immediately there was an outcry of why were the Americans telling people Bali was unsafe and Australia was not. All of a sudden out of the blue there was this huge issue. Everybody was looking for a scapegoat, everybody was unhappy with the-

Q: Sort of like the Lockerbie case.

MALLOY: Lockerbie or Hurricane Katrina because suddenly there was the issue of the lack of medical care in Bali, the difficulty of helping people get back home. Once they landed in Australia they were very well taken care of but there was just a horrible time period there when people were desperately injured and trapped and could not find their loved ones. The U.S. embassy in Jakarta was very, very quick and had people on the ground almost immediately helping Americans so again it looked like the American government was way ahead of the Australian government in all of this. But-

Q: How did you explain the discrepancy between the American position on Bali and the Australian one? I mean, I'm sure the papers were all over you, weren't they, on this?

MALLOY: They were all over the Australian government. We, you know, the questions were why the Australian government did not take the same position as the U.S. government. We would just say, you will have to ask the Australian government that. There was no way on earth we could do any good in this situation by attempting to get in the middle of that. So again the Ambassador, we all talked on the phone, he issued clear guidance to all of us out in the field as to how to respond. We had a media line but it was of no gain to us to inflame this situation. It was a terrible, terrible time. As a Foreign Service officer you deal with the hypothetical all the time but for my family, having lost a relative in the World Trade Center, having lost friends in Bali and then for my child to be getting bomb threats when she's home alone at our house, you really have to feel for these kids because the real world intrudes on their life. It was not a hypothetical situation. She never knew about the assassination attempt on our lives in Kyrgyzstan; we never told her. She only learned about it many, many years later so she was shielded from that but there was no way I could shield her from this. My husband and I often talk about the great Foreign Service parental guilt that, for all the benefits you also have to accept that there are down sides to dragging your kids around the world.

Q: This is somewhat outside of it but how did your husband operate in this, because this is still, and particularly in Australian society, which is very-

MALLOY: Macho.

Q: -very macho and all that.

MALLOY: I think it was extremely difficult for people to understand his role. And I do not think he was well treated on the cocktail party circuit. Your average Australian man would just arch an eyebrow and move on if somebody said, "I'm a spouse of" somebody. Sydney was very much a city of power couples, usually both parties worked. So it was hard for him but he worked really hard to do things to make my life easier. For instance, he automated the system of official residence expense and he taught the household staff how to use a computer and how to use spreadsheets. This was all based on his personal computer and his design so one of the tasks we had when we left was how to make this sustainable. So we did have to talk the embassy into funding a computer for the ORE staff to use for all of the recordkeeping, the inventories, the vouchering or they would just

have to go back to pencils and scraps of paper like they had before. So that was a big help because I had no time to do that.

He took total care of all of the details of private schooling, which in Australia is very time consuming, getting our child in to the school, purchasing the uniforms, all the special billing and fees and required trips. And he volunteered. He volunteered at senior centers to teach Australian seniors how to use computers and he did that for a number of months and he finally had to give up because he said so many people were in early stages of Alzheimer's that everything he taught them this week they would forget by the next week. And he said after three months they had not even progressed to learning the basics. he got tired of teaching, "this is a mouse, this is what a mouse does." So he then went off to the Powerhouse Museum and volunteered in their IT center and spent the rest of his time there. He actually enjoyed his work there and learned a lot about digital imagery and archiving and museum quality storage. He was supporting me but not only did he get the very little recognition that traditional female spouses got but he also had to deal with the negativity so I felt for him.

Q: Yes. The Foreign Service, this is why I brought it up, the Foreign Service has got all these things that most couples, you know, most Americans don't come up against.

MALLOY: It is not easy. When I arrived in Sydney my management officer was female. Her husband took the Foreign Service test and actually came into the Service so they solved it by being a tandem couple. Another officer, my pol/econ officer was a female and her husband was an opera singer and that was why they had come to Sydney. He had a part singing in "Sweeney Todd" at the Sydney Opera House. And so, he had employment off and on but he was doing what he wanted to do. So it was a very, it was a mixed bag. It was not an easy place but easier than most places where one would be serving. But it is hard for spouses in the Service, especially for male spouses.

Q: Well listen, sort of a general question, and I'm not sure if I've asked you this before, but we were going through the Bush II administration and this is a difficult administration, I think there's no doubt about it. I mean, I'm getting full doses; I interview Beth Jones, on dealing with this, representing an almost confrontational to foreign- perceived foreign affairs in most administrations, more challenging, and confrontation is probably the best term. And this went against sort of what we'd all been brought up in in the Foreign Service, you know, challenging, not trying- not necessarily getting along. Did this cause problems for you, personally?

MALLOY: Yes. Well, I think it was the first time that there was any animosity expressed in polite society. Before then people may not have always been the biggest fans of the United States but there was no- it was not politically correct to express it. All of a sudden it became politically correct to express animosity. You and I talked about this a little bit before; we just had to take it and do our best to steer the conversation onto facts. A lot of this criticism was misinformed. I spoke at one university discussion of the war and was fully prepared to take all sorts of slings and arrows. One woman in the audience stood up and said that nothing I said could be trusted because I was part of the same people who

had burned Waco and intentionally killed all those people there and forensic evidence showed that they were murdered and.....

Q: You better explain what Waco was.

MALLOY: Well, that was a fundamentalist Christian group in Texas-

Q: The Davidians or something.

MALLOY: Davidians with a charismatic leader and-

Q: A little bit like Jonestown.

MALLOY: Yes, only they did not drink the Kool-Aid. But they were an armed force and they had retreated to a compound and sealed themselves in with a number of women and children. I am not an expert on it but a decision was made that they were a serious threat. U.S. Government agents were trying to get these people to come out and surrender so they fired tear gas canisters into the compound which somehow started a fire and many, many people died in there rather than come out or were not allowed by their leaders to come out, nobody will ever know. And there was a great debate as to who actually started the fire.

But my point is that you cannot have a dialogue with somebody like that. You just have to get it back on track. I was there to talk about the war on terror but if she was going to start from the presumption that everything I had to say was a lie than there was no point in having this conversation. But fortunately the crowd will generally take care of that kind of person and shut them up because we do have a basis of trust. So she got shouted down and people said look, "I came here to hear what this American has to say so let her say it."

But it was a very, very difficult time to be representing the U.S. Government. What I was proud of was that we, starting at the Ambassador on down, stood out front and tackled the issues. I think in a lot of countries people just avoided the discussion. And I do not think that that gives you credibility.

Q: Well did you also find, though, that the Australians were sort of- they're sort of stand up people so if you explained what we were about they were more likely to listen?

MALLOY: Yes. Absolutely. You- If you got out of downtown Sydney you got a much fairer audience. There are a number of concepts that you have to learn in dealing with Australian society and one of them is "a fair go;" everybody deserves a fair go. And another is the tall poppy syndrome, that if you do not treat everybody on the same level, if you do not recognize that you are the same level as everyone else, the minute you put yourself up as more powerful, more beautiful, more talented, more whatever they will cut you off at the knees. So one day you are a national icon and the next day they are pulling you down. It is called "tall poppy." So the combination of that, there was the United

States putting itself forward as the tall poppy but they still had to give you a fair go to explain. But at the end of it even the most contentious debate, the fact that you went and you looked them in the eye and you were willing to have that debate, you rose in their estimation. So you had to get out and do it in this context. But that does not mean I was out there saying things that I did not believe in or trying to justify things that could not be justified.

Q: Well how do you- It's a good question. You're a Foreign Service officer, we have certain policy thing, we had an administration that was different than most. I mean, I'm being polite. And what if they asked you questions that, well, about weapons of mass destruction at a certain point when it became pretty damn obvious that there weren't, or maybe you hadn't reached that point.

MALLOY: We had not reached that point. Now, I have to say, because I had experience - part of my career dealing with weapons of mass destruction - I can speak to how difficult it is to track and locate them. These complex verification regimes that we set up with the Soviets because of the ease of moving these things around and hiding them and their precursors. So in my mind we had not really definitively resolved that question and though I would not say it in public, some of the people who were in the media talking about these subjects were people that I had personally worked with in a WMD context. I took some of their statements with a grain of salt because they were not always right when I dealt with them before. So that- I really had no difficulty there.

Q: You had the background that you could speak on the subject.

MALLOY: Right. But if somebody asked me to justify mistreating a prisoner, I would not even attempt to justify that one. So what I am saying is we would get out and lay out the policy.

One thing that we were trying to do was to get Australians to realize that they could not just hide in their geographic isolation, thinking that terrorism would never hurt them. After Bali the JI made that point very clearly, I no longer needed to bring that point home to them. That these were forces that wanted to undermine the very basis of their society, which is a multicultural free open environment where one can be religious if you want or not religious, tolerance, where women have every right to be educated the same as men. It was not just America or Canada or Britain; it was the society that these terrorists were going after. So we saw it as our job to try and get people to change their focus a little bit. Simply pulling out of the military battle, in this context today, pulling out of Afghanistan, was not going to solve the problem; the problem would still be there. And that idea would tend to resonate with them because they have always been this bit of British culture hanging on to the edge of Asia, hanging out there on their own.

So anyhow, it was a very, very tough time. Our public diplomacy had to be nuanced; you could not just throw out these broad statements and assume anybody would take them onboard. But we also focused a lot on showing what America was really about beyond the issue of this military conflict. We tried to publicize the phenomenal levels of private

American philanthropy all over the world, volunteerism, which we talked a little bit about last time, respect for tolerance, the fact that Islam as a religion was thriving in the United States. Most people in Australia did not even realize that we have mosques and Muslims in the United States. Things like that, to just change the dynamic a little bit.

And the other way, quite frankly, that we were reaching out was sports. You know, Aussies are mad about sports, absolutely mad about sports. We could not compete on rugby, though there is a U.S. team and we love them. They came out and they tried. Our rugby is evolving but because it is not such a popular sport in the States, it is just not up there yet. But on golf, tennis and baseball; believe it or not, U.S. major league baseball maintains offices in Sydney in the same building as the consulate and they are always out scouting for baseball players. Well baseball's not such a popular sport but if you play softball or you play cricket you have got all the same skills and so they are always out there with farm teams. That means they do exhibition games and they bring in names, so we wanted to hook up with them. Also at this time public diplomacy at State announced a sports diplomacy program. Only they had in mind going to Africa, going to Indonesia; what we were saying was come to us, let us program a basketball player in Lakemba, a part of Sydney with a huge Lebanese population, a people who were fairly hostile to us but love basketball, and let's set up a youth clinic. We never got any money to do this but we did eventually get some small opportunities so we realized that we had to do this on our own.

So every time we would have a U.S. military ship come in we would ask to have sailors who could go off and do a basketball clinic in that area. We had a U.S. military band go and conduct a seminar at a high school and give one on one instructions to the students in orchestra and then help them perform -- real interactive thing, got great press play. There were terrible bush fires and it burnt through the equivalent of a Boy Scout camp so we got another team from the military to go up there and rebuild the camp with the scouts. Any way we could get people thinking, "well I don't care what's in the media, I was working with this guy, an American, and he's a really good bloke." That's what I wanted.

And it peaked when there was a huge sports event, it was a competition between the state of Queensland, Aussie football, I believe it is, and New South Wales, a huge rivalry. And one of these huge U.S. naval carrier groups came in to town with all sorts of servicemen. Often a number of them would take leave and stay on in Sydney. Somehow three U.S. sailors wandering around, they had just come out of Iraq, they were wandering around town and they befriended an Australian. They start talking and mentioned that they were one of the few U.S. military still in town because their ship had left. The Australian they befriended said, "you know, we have this big game, why don't you come with me." And the next thing, unbeknownst to us, these guys were invited into the locker room of the New South Wales team and they were giving them a pep speech on how to fight a war and what that taught them, standing up to adversity. Then they were invited to watch the game from the owner's box and they were credited with this rousing pep speech, of motivating the New South Wales team to victory over Queensland. It was all front page news, and I believe these guys did more for U.S. public diplomacy with this happenstance than anything else. And the irony was I had run into them the morning of

the game. I went to a luncheon and my security advance team of course has to go and check out the place first. Every time I got up to go to the ladies' room they had to go and check it all out, so these three beefy guys who were sitting there, looking very military but in civilian clothes approached my advance team and wanted to know who the broad was that they were guarding. And of course they would not tell them but when I came back to my table the sailors were bold enough to come over and ask me who I was. And so we got talking, they were nice guys and they told me they were going to a game that night. I told them that this was a really big game, and they were lucky to get tickets. It had been sold out. Then in the next day's newspaper, there was a photo of these same guys at the game. It was just amazing. But if you can relate anything to sports you have an in with the Australians. They just respect sports so much.

So we were trying to be nuanced and it would not work with everybody, the chardonnay and brie crowd would not be swayed by that but most Aussies would be.

Q: I think I've wrung as much out of you as I possibly can but do you have- you have some notes; you got anything else you want to talk about?

MALLOY: No, I think we have done Australia. The only thing is I left, obviously, and made my goodbyes and my security team took me to the airport, I was traveling with my dog, he had to go into quarantine to get there but he could go home with me. My daughter and my husband had left already because she had to go to basketball camp, which started before I could leave. We said our farewells and my security team was now done with me for the last time, I was a free person. I got on the plane and I was halfway over the Pacific. United was kind enough to bump me up to first class, which was a pleasant surprise. We were halfway between Australia and LA when the captain got on and said we had to turn back; we had a bomb threat. It turned out the bomb threat was a note left in the first class lavatory so, of course, those of us in first class are suspected and when we finally do land we were taken to the far end of the tarmac at Sydney International Airport. No one was allowed off the plane because the police had to investigate this bomb threat. The 10 of us up in first class were the prime suspects. I had my family waiting for me in the United States, I had a dog in the belly of the plane and I had no security detail waiting at the airport. So when and if they let us off this plane it was now impossible to take back off that evening. Obviously we were stuck overnight. I had - I'm about to be let loose on the city of Sydney for the first time in three years without a security detail, which was actually fine with me.

Anyway, we sat on the plane for an hour or so while the Australians decided how to deal with this because also quarantine- we had left Australian air space, so the dogs cannot come back in. In other words my dog could not come back into Australia. All of a sudden the airplane door opened and police came onboard. They walked up to me and said, "you have to come with us, ma'am."

Q: I'm sure all your passengers-

MALLOY: Everyone was looking at me. So I got off the plane and they took me down the stairs to the tarmac and put me in a little car. They brought me into the airport VIP lounge where they told me that the Australian federal police had heard the plane was turned around and they were scrambling to get my security detail back to the airport to get me. They asked the police to please come onboard and get me and to make sure I was secure. But, of course, the other passengers on the plane did not know that; they thought I was the bomber. So it turned out that the police, New South Wales police or airport police, whoever they were, really had not coordinated well with the Australian federal police, who were running around the airport desperately trying to find me. There was a little power game going on but they eventually resolved it and my security detail came to the VIP lounge to escort me back to the residence. But I said I was not going anywhere without my dog. The airline and the airport authority had decided to leave all the animals onboard the plane until we took off again the following day. I said I was not leaving my dog, who had already had 10 hours in that plane, overnight and then for another 12 hour flight. I was not going anywhere without this dog. Well they could not- the dog could not re-enter quarantine. I said fine, I'll stay right here. I am not going anywhere without my dog, because I am worried at this point that this dog will die. There was only so much stress, and this was- you cannot do this to an animal. And he was not the only animal onboard there, and I was appalled that they were not going to off- take them off. We had a little Mexican standoff until they wheeled my little dog in his dog carrier into the VIP waiting room and I took him home with me that night. They ruled that since he had not actually touched down anywhere that they would construe it as his not having left Australia. So he went home with me that night.

And the next day we had to do it all over again, check back in. They took us out to the very same plane; the movie I was watching when we were turned around was still sitting in there. I got onboard, all the other first class passengers moved away from me, and we flew all the way to LA, landed there, and my dog did not get off with the rest of the luggage. They had forgotten to board my dog on the plane in Sydney.

Q: Oh my God.

MALLOY: So, again the airline told me to board my flight to Washington, that they would ship him to me. I said absolutely not. So I waited, there was another plane from Sydney three hours later and he came off that plane. The airlines had wanted me to immediately get on the flight to Washington and I said no, you can't do this to a dog. So I had to go out of the terminal, let the dog do his business and then I had to come back through all the airport security and somehow convince this dog to get back in that cage for the last leg to Washington. When I landed at last in Washington, the airline had lost all of my luggage, nothing came off the plane - except the dog. He made it; I did not care about anything else at that point. I was now going into hour 40 of this saga and my children and grandchildren and husband were all there and everybody was thrilled to see me. But it was just typical of this story to come to an end this way.

So we finished Australia and I still love it to death but it was not an easy tour.

Q: No, no. I mean, we've certainly, I think picked up almost everything one could think about on that. I speak as a former consul general myself and I've mentioned off mic that you bring out all sorts of elements of guilt because I think you got much more out of your tour than I got out of my tour. But anyway.

MALLOY: I'll give it to you; you can have it.

Q: So what happened?

MALLOY: I came back to start an assignment in the Office of Inspector General. There are some broad themes that we can talk about there but something that might- we might usefully talk about for the rest of this time is a collateral duty that I had there. It was just this weekend (Labor Day) a number of years ago that I received a phone call while I was out at my parents' home on the Eastern Shore of Maryland from the then executive secretary, Harry Thomas. Harry said to me that there was a hurricane coming towards New Orleans, and while this was not a foreign policy issue, it was a domestic policy issue, the State Department wanted to stand up a task force. There was no particular bureau, it did not fit anywhere into the State Department's structure and so he asked if I would come in and run the task force. I had worked with Harry in the past (we were on P Staff together) and- Anyway, I did not want to say no to something like that so I said of course I would come back into town and do it. He said that the task force director usually did not spend much time there in the Operations Center, the Task Force Director was more a figurehead. It would be my job to give the Task Force guidance. He thought it would involve a couple days over the long holiday weekend. And I said okay, that's fine, because I'm preparing to lead an OIG team to Colombia to inspect the U.S. Mission there and so I would need to engage in that right after the Labor Day weekend. No problem. He said that he hated to ruin my weekend but this would be no big deal. That turned out to be the task force from hell because it-

Q: Well no, I was wondering, because at that time was- and this is Hurricane Katrina.

MALLOY: Yes.

Q: Was that seen as going to be the disaster it turned out to be, and also what was the State Department doing?

MALLOY: Yes, you would think initially that the bulk of the work would be related to the U.S. domestic operations. Well, it was believed that the City of New Orleans was going to take a serious hit. I don't think anybody believed that it would flood but there were a number of foreign issues to this natural disaster. First of all, there were a number of consulates in the City of New Orleans. I had no idea until I got into this but these foreign missions needed protection from the host government and at the same time, they also needed to care for their citizens who were caught up in the disaster. I had no idea until this happened how many Hondurans were living and working in the area. So that was one foreign problem. There was also a major U.S. passport office in New Orleans and that required protection. As a matter of fact, one of the very first things this task force

did was work with the Bureau of Consular Affairs to declare a national security emergency. Think about what would happen if all the identity documents in that passport office, both the blank passports and all of the in process, birth certificates and everything submitted by applicants, got into the wrong hands. So that was another aspect.
The other thing was if it was a major disaster there would be tremendous pressure from other countries to want to help and somebody had to coordinate that. So those were the three broad areas we started with.

I came onboard and because the task force director usually works out of their bureau's front office, it was usually a DAS; there was no office set up for the director in the Operations Center. So I had one little computer, I did not even have a printer, I had one telephone. There was a wonderful group of people who ran the crisis center, they maintain and organize all the task force rooms. They provided the underpinning and then usually the bureau running the task force would draw people in from the appropriate bureaus. In this event we had a skeleton crew but as you can imagine, it was Labor Day weekend, very few people wanted to come in and take time to help. It was not a 24 hour task force at this point. Within hours everything started to get tremendously serious. There were mass evacuations from New Orleans and right off the bat we started to get calls from every embassy in Washington that had people down there trapped in hotels, residence. We were in the midst of a massive effort of trying to figure out which foreign citizens were actually involved. Some of the embassies, instead of giving us a list of people that they knew for a fact to be there in New Orleans were simply handing over their computerized list of every citizen who had ever registered from Louisiana. We have to set up one sub team to pull together a list of foreign citizens of concern. At that moment we had no way to go and find anybody on the streets of New Orleans.

Then I mentioned we had a separate group working on how to secure the New Orleans passport office. That very first day of the Task Force, as we were trying to get a team together to go down and retrieve all this material from the passport office, and we were doing this very quietly before the media got wind of this concern, while we were lining up trucks to drive all the way from Washington to New Orleans, laborers to carry the files out of the building… the Undersecretary for Management was just great in pulling this all together, lining up volunteers. It was the first time we ever used the inventory system of collateral skills the Department was trying to set up to find out who in the State Department was an EMT (emergency medical technician), who was a firefighter and was there anything we could do to be self contained, because the last thing you wanted to do was add more people who would need help to this situation in New Orleans.

In the midst of all this planning, because we had CNN running all the time on the television screens and I looked up and saw that New Orleans was on fire. There were major fires, and one of the buildings that was burning on the screen right in front of us was the building that housed the passport office. We engaged with the U.S. military and with anybody who had firefighting capability to try and convince them to direct these resources towards this building. We had to get this fire out to protect the passport office, which was not easy, as you can imagine. It was chaos. By the end of that first shift it became apparent to us that A, we had to be 24 hours; B, we needed many, many more

people to come in, we needed a separate consular group to interface with all the other embassies, we needed a management group to deal with the passport office and at this point we started getting inquiries from foreign embassies non-stop, asking what they could do to help.

And it was right before UNGA, the UN General Assembly, when hordes of heads of state and government were coming to New York City. We knew that the first thing they would all be thinking was that their president or prime minister's flying in on a private airplane and could carry in assistance; they would want to know what the U.S. government needed. The problem was that there was a decision made very, very early on by a number of entities at the cabinet level, not at the White House level, that there was absolutely no need for foreign assistance. They did not want anything, did not want to hear about it and the answer we got every time we asked was that we should just tell everybody we do not need anything. They did not understand, the domestic agencies did not comprehend the political imperative. You had hundreds of years of experience of the U.S. people helping people all over the world and this was now all of a sudden a unique chance for those governments to offer to help the American people. The domestic agencies also did not understand the pressure on the Hill to see foreign governments make an effort to pay back the assistance provided to them over the years.

I got called up to the Hill to meet with a group of congressional staffers and the first thing they said to me was that they were going to compile a list of countries that the U.S. Government had given any assistance to and then they were going to compare that to the list of every country offering aid to help with the crisis in New Orleans and indicated that there had better not be any gaps between the two lists. They saw this as payback time but we had to deal with the fact that there was this huge bureaucracy saying, "we do not need any of this; we don't need their tents because they might have insecticide that we don't allow; we don't need their children's clothes because they may not meet our flame retardant standards; we don't need their medicine; we don't want their food; we don't want anything." So there was a huge roadblock on that score. But we could not explain this to these embassies. And then we started getting the phone calls from our ambassadors in those countries, screaming at us saying, at me, "you don't realize the government actually has a plane on the tarmac with the engines running and it's full of assistance and you have to get them authority to land." And I couldn't get that authority because nobody in the domestic agencies running the disaster response wanted this foreign assistance.

Q: Well did you- on sort of the word that was going around, was this- I mean, there was tremendous criticism of Office, what is it, Office of Emergency-

MALLOY: Well, FEMA (Federal Emergency Management Agency).

Q: But FEMA-

MALLOY: Department of Homeland Security, Federal Emergency Management.

Q: I mean, there's criticism there but did you get, I mean, was this almost ideological, would you say?

MALLOY: I think there were a number of factors here. There were political factors; for instance, would you allow the importation of food or medications that couldn't be used by the ordinary American but conceptually would it be okay to provide them to the poor people to New Orleans? Would that be mistreating them? There was that issue. Then there was the philosophical, that people couldn't imagine that we would need foreign assistance and yet, if you think back to the images on television of people going hungry, people dying for lack of water and medication-

Q: They were seeing peoples' bodies unpicked up.

MALLOY: Right. And we had- Well I'll give you a couple examples. First of all, we went to Secretary Rice and said this may not appear to be a foreign policy crisis, it is primarily a domestic crisis but it will have a huge negative impact on foreign policy if we don't find a way to gracefully accept assistance and to let these governments be able to say to their own people that they played a role in this. And all we need is for you, Madam Secretary, to go to your counterpart at DHS (Department of Homeland Security) and say don't tell me what can't be provided, tell me what can. Okay? There has got to be something useful that we can put out in the chain. And her instinct was- first of all, she was not out to make anybody look bad. We were instructed to do everything possible to be a positive player in this. And so, for instance, we set up a mechanism to make sure that people, recipients of pensions from State Department still got their checks even if we had to deliver them rather than rely on the Post Office system in New Orleans. And that was fine. Also we could not discuss the interagency tensions with the media. But at the end of the day, when I said there will be a postmortem and if we are part of the problem and if we do not find a way to break through this morass over assistance offers we will end up looking just as bad as everybody else. So we have to find a way to deliver assistance.

So we went outside the system. We broke rules, whatever you want to call it. We started with the Canadians because we are so interlinked with the Canadians. When DHS rejected all offers of medications we worked with the Canadians who have stockpiles of medications that could be used for emergencies and they simply put it on trucks and drove it straight down to CDC (Centers for Disease Control). CDC accepted this donation from Canada and started using it. We worked with the Japanese, who also had stockpiles of medications in Florida but for some reason, because this donation was not going to CDC, but rather they were trying to get it immediately into New Orleans, the domestic agencies refused to accept the donation. The Japanese were never able to hand it over, even though it was already in the United States in a warehouse in Florida. As a matter of fact, it was U.S. origin, I'm sure. We could never get that into the delivery system.

Then we worked with the Canadians and we got permission for them- basically what they did was they moved their Coast Guard coverage all the way down the New England coast so that the U.S. Coast Guard could relocate their assets to New Orleans. That meant we had Canadians guarding our shores. They also sent a couple large ships, military ships,

down to New Orleans and they were part of the firefighting efforts. Initially they were there to rescue people. So with the Canadians we got a lot going.

The Mexicans, many Americans do not realize that the Mexicans offered to send troops to help set up soup kitchens, search and rescue. This was the first time the Mexican government had proposed to send their military forces out of Mexico. It was a huge political decision for them to go outside their own borders and to work cooperatively with the U.S. authorities. But there was tremendous resistance to that offer. It took us unbelievable efforts to get permission for these Mexican military trucks to come, drive across Texas and over to New Orleans. And we thought we had accomplished it when we got them over the border. We then turned our attention to something else; the next thing I knew they had all been arrested. The Mexicans trucks had stopped at some point in the drive and they had come across hordes of people fleeing New Orleans, people who were injured, hungry. So they set up their soup kitchens and they started tending these people and feeding these people and the local authorities arrested them for operating as a restaurant without a license and operating as a doctor without a license. So, of course, we then had to engage with the State of Texas, get this all taken care of. We were stymied at every stop of the way.

The Australians called me and said, the Ambassador said, "you know, we've got the best forensic capability in the world, we've been running the forensic response to identify all the bodies from the tsunami in Indonesia, we've just had a year's experience with bodies, hot weather in water conditions; we and the Kiwis will come in and we will help you do this." The answer- keep in mind there was only one coroner in the city of New Orleans- the answer I got back from Health and Human Services was that the local authorities did not want any foreigners occupying their limited bunk space and taking up space at their food lines; that they wanted to do this on their own. And I pointed out that it would take them 18 months to work through these bodies, that the people in New Orleans would have to wait more than a year with this one coroner, and he said the state and local authorities refused to accept this offer and they will not waive liability so that the foreign forensic specialist could help. And I asked what he meant about liability? These people were dead. I mean, tensions were getting very hot at this point. I have to admit I was perhaps a bit less than diplomatic.

In the end, we had to send a cable to the countries offering forensic assistance, Australia, Germany, New Zealand, saying it was not needed. But to protect the Secretary I indicated in the text of the cable that Health and Human Services said it was not needed, and I made the HHS person put his name on the clearance line of the cable and sign it so that the record traffic would show that it was Health and Human Services. And indeed two years after Hurricane Katrina they were still trying to identify these bodies. It was just-

Q: I mean, why did- was this always there, this obstruction or something? I mean, was it just that nobody had ever tried to put this together? Because normally you think of the Americans as being can do people.

MALLOY: Well they are but there were so many interlocking layers. In the end, like I said, every part of the U.S. Government that was supposed to protect Americans did their job and did it very well. So if the foreign assistance offer involved a food product Agriculture, USDA (United States Department of Agriculture) said, "no." If it was a product that would be used, even like a folding camp bed or chair, we were told that it would not pass safety regulations for import into the United States. In the end we drafted these massive lists of what was offered and put that out to the media so foreign governments got credit for offering but there was virtually nothing we could accept except the Secretary finally got word from FEMA and DHS that MREs were needed, Meals Ready to Eat. We had exhausted the U.S. domestic reserves very quickly by feeding people and there was a need for more. Harry Thomas announced this to a huge briefing with representatives from virtually every embassy in town and they all immediately notified their capitals and we were inundated with offers of MREs. The Brits offered us enough to meet the need right off the bat. As a matter of fact the Brits were wonderful. Somebody from their- the office equivalent of FEMA, their disaster relief, brought a team and actually embedded with us and helped us run this thing. They were very good; they said you know, we'll give you as much as you want and we explained well we have to take some from a number of different places so that everybody could get into this. We were all of a sudden inundated with MREs from the French, and they were very popular because theirs come with a bottle of wine, the Brits, the Russians, a number of other countries, some without even talking to us were shipping MREs directly to New Orleans. The Germans landed MREs at bases in Florida.

Q: MREs, Meals Ready to Eat.

MALLOY: Meals Ready to Eat. However, no sooner did we start this process and set up a receiving point, we were working intensely with NORTHCOM, that is the U.S. DOD command responsible for North America. They set up a receiving point at a military base as close as we could get to New Orleans without being a part of the affected area. We would direct the foreign donors to land the MREs there. We would stockpile them, and then set up a truck system to go down and deliver them to the large NGOs that were doing food distribution, nongovernmental organizations. No sooner were all these planes in the air than the Department of Agriculture came to our Task Force and told us that it was acceptable to import MREs, but if they had any meat from outside the United States they would not be acceptable because of potential mad cow concerns. Well. What do you say to that? Well first of all, for instance, most of the European MREs are made with meat from Brazil and other countries that did not have the mad cow infection. Number two, our U.S. military forces are fed these very same MREs all over Europe.

Q: As a matter of fact I can't give blood because I got food out of the commissary in Naples.

MALLOY: And they were taking this position. They said that they were going to place an inspector on the ground and that inspector would deny entry to any foreign assistance product that that contained meat. Well of course now, everything had meat in it. Well it turned out not everything had meat in it. The inspector did release for distribution to New

Orleans some of the baby food sent in by the French, but only the baby food made from ground horse meat. I assume that is because we did not have any regulations for baby food made from horse meat so they could not deny it. But I guess in New Orleans that probably was not all that unusual. Now we had this huge pile of MREs, some of which had already escaped into the distribution system before the agricultural inspectors got there to shut it down. The only thing that saved us at this point was that the major NGOs were moving from the use of Meals Ready to Eat to large hot food kitchens. They were now looking for a different type of food. They wanted to set up institutional field kitchens and the MREs ended up eventually being used for a number of peacekeeping operations around the world. It all got used; nothing went to waste. But this back channel distribution system was the only way we could allow countries to give us something and to feel they had repaid the United States.

And there was tremendous, tremendous angst about this whole thing and I was furious. And we all, we went from a task force of maybe 10 people to 40 or 50 people within hours, around the clock. And there were some hugely dedicated people who did great stuff working there but we had to literally drag people out of their beds; the bureaus kept saying, "well we'll get back to you after the Labor Day weekend." Well we couldn't wait. This all took place over a four or five day period. Eventually Western Hemisphere Affairs, the bureau that handles Latin and South America, Central America, was convinced to take responsibility for the task force because the predominant number of foreign citizens were from their countries and for a number of other reasons. So they eventually, like I said, four or five days in, agreed to take this on. They came up with a new task force leader; I handed over responsibility and went on to start preparing for the inspection of Colombia. It was a searing experience and it was the first time the U.S. Government tried to stand up the national disaster response systems that it had set in place after September 11. There was a whole parallel system working out of DHS, which had the lead, and the White House, coordinating and talking its way but that did not produce anything concrete.

Q: Yes. There's- afterwards there was, I mean, it- the- our response to Katrina, by the U.S. Government, FEMA particularly, was one of- was almost equal to the criticism of our entry into Iraq. I mean, it was a tremendous political disaster, you might say, for the administration. I mean, did you feel that this was an administration thing or was it just the system?

MALLOY: The system. You know, I did not- there was an awful lot of media commentary on the Bush Administration ignoring these people because they were low income and they were African American. That is bullshit. I'm sorry. We were so focused on trying to help these people but the concept of a complete breakdown in social structures inside the United States just- it was clear to me nobody had ever anticipated this; that was one problem. The way to deal with it is you bring in the National Guard, you restore order. The state and city authorities refused to do that. No matter what they said to the media, they kept telling the media they had asked the federal government for help but they in reality they would not allow the federal government to come in and help. They would not waive liability for any foreign donors of any shape or kind; they would

not allow the National Guard to come in. They kept saying, "we've got this." There was just- I don't know what the problem was with them; I was too far removed from that. But they would not pull the lever and let the federal government come in. Much of this could have been prevented. But from my perspective, I was left dangling on the phone with an Australian Ambassador who has Australian citizens on television interviewing with Australian film crews where they were stranded on some underpass in New Orleans. I had to tell him that I could not get permission for his consular officers to go down there and rescue those Australian citizens. I also could not send in any shape or form of U.S. authority to go and rescue those people. So he asked me what it was that he should tell his capital in Canberra when they wanted to know what he and his embassy staff were doing to help those Australian citizens? "Are we all impotent and yet the news crews can get in there?" And that was the answer.

Some of the embassies eventually resorted to what we were euphemistically calling "Dog the Bounty Hunter"-type operations, where they were hiring soldiers of fortune to go in and rescue their citizens and bring them out. It was embarrassing to the U.S. Government that we could not do this but unless the state and the city authorities pulled that lever and said to the federal government, "we need you to come in and take charge," National Guard troops cannot invade the state of Louisiana.

So we had never had this kind of situation before and much of the after wash discussions came down to those two things; there had to be a blanket waiver of immunity, and if you remember when I was talking about my work on the arms control treaties and my work on Nunn-Luger and what we were asking the Soviets to give us, complete waiver of immunity, even for intentional acts, and here was the reverse case where we would not provide immunity to foreign donors. In essence we would say, "yes, we'll let an Australian forensic specialist come in and help us with this process but we reserve the right for the family to sue that Australian down the road." That is ridiculous. So we have to deal upfront before an emergency with liability, and second there has to be a much clearer line between when the federal forces become responsible and need to take charge and when the state says no. So those were the two major lessons that came out of Katrina for me.

We did rescue the passport office; they did get the fire out. And these wonderful, wonderful people made the trip down there and then, if you can imagine, since there was no electricity, and the passport office was located on an upper story, I forget, it was about 15 stories up, they had to walk up there in the heat, no air conditioning, no light, box up all this material and physically carry it down to the trucks, two big semi-trucks' worth of material. They drove it to the nearest passport office, in Florida I believe it was, unloaded it all and drove the trucks and staff back to Washington. These people were heroes. Most of the passport office staff was moved to this Florida location and they were housed temporarily on a U.S. military base. So the passport office folks were heroes in all of this. That worked but everything else was just a mash.

Q: Did- Were you ever called to, testify is the wrong term, but in other words, was there an inquiry to say okay, what went wrong, what can we do about it?

MALLOY: Well afterwards the Congress subpoenaed all the records to deal with Katrina, not just from State Department but also from DHS because there was a big hunt for the culprit. They also were trying to figure out how to do this better in the future. I had approached the task force knowing that something like this was going to happen and they- all of our email exchanges, our logs, cable traffic, everything would go. Now, the funny part was that my counterpart at NORTHCOM was an old friend with whom I worked very closely on the Bosnia/Kosovo crisis. This was the first time we had been talking to each other since then. He was sitting out in Colorado and when things got really, really, really bad he sent mean email and it just said, "I need a hug." Now, he did not know that as task force director there were 50 plus people getting my emails on their screens, everybody on the task force got them. Everybody also would get whatever answer I was going to send him. So I sent him a nice but distant response because I Knew he was just joking around. Then he sent me another e-mail because he was offended that I did not respond to his first comment. Well, all of those e-mails went up to the Hill and I still laugh to this day when I think about Bear his "I need a hug" email.

But I think it was pretty clear, looking at our emails and our traffic that we were desperately trying to get assistance in on the ground and to the people of New Orleans. There was just no way on earth to fight our way through FEMA. It just was not going to happen. But I personally did not get called up to testify. The person who took over the task force after me did have to go up on the Hill but she had missed the worst of it.

And when the MRE story finally broke in the media, about us bringing in only MREs and then they could not be released for distribution to the people of New Orleans, I got in touch with Harry Thomas and told him to make me the fall guy, I did not care. And to his credit he said, "no, I'm the one that told them MREs, don't worry about it, and they all go used anyway."

I still get angry all these years later, every Labor Day weekend I have flashbacks to- It was pretty miserable.

Q: Well, this is probably a- sort of a down place to stop but we'll pick this up next time when you're off to do some inspections. And I realize you're going to have to be somewhat circumspect on this but at the same time I think, you know, there are lessons to be learned and things to be- that you can talk about in general about the process and the concerns and the situations.

Okay, today is the 11th of September, 2009. This is the anniversary of the great tragedy, the 9/11 tragedy in New York and elsewhere, with Eileen Malloy.

Eileen, I think we're at your inspector generalship now.

MALLOY: Correct. My very last Foreign Service assignment.

Q: Alright. Could you- it changes over time; how would you describe the state-of-the-art or what you all were doing as in- designed to do as inspectors back when you started doing this?

MALLOY: Well let me start by saying I cannot avoid mentioning that today is a very sad anniversary and of course I am thinking of my cousin who perished in the World Trade Center. And it is, to me, a symbol of how quickly things change and how quickly we forget, how normal the town seems today in many respects. Except coming through the Pentagon Station Metro today there were large numbers of family members gathering for a ceremony. That was the only overt sign I saw aside from the newspaper but I know the President is going to give a speech. Anyway, it just struck me that we all seem to have returned to a normal rhythm so quickly. Whether that is good or bad I am not sure yet.

Q: You might also mention the word you got from your- from Sydney.

MALLOY: Yes, I was having an email conversation with Judith Fergin, who is the current consul general in Sydney. She replaced the gentleman who replaced me so two times from my time there. She is coming to Washington and was suggesting that we get together. I asked if anybody from the consulate had recently been out to the garden that we planted as part of our community service project, the second anniversary of September 11 and told her I would like a current picture to see how it is looking. She said yes, she had been out there recently for a tree planting with the mayor of the locality. It is doing really, really well and she is going to send me a photo. She also went on to say that the mayor is a member of the Green Party, which is known as a party that has a strong focus on the environment, and is not a party that generally gets along well with American interests in Australia. Usually they are a bit antagonistic towards the United States. But in this instance the consul general said that the mayor was absolutely thrilled to have this wonderful parkland created by our community service project. Not only did it reclaim what had been a dead zone but also all the plantings are native Australian plants and they are used to produce seeds to further disseminate native plants throughout the city of Sydney. This gives people options in their gardens for plants that are better suited to the dry climate there. But I then wrote back to her pointing out how ironical it was that the one thing that had brought good humor between the Green Party and the U.S. representation in Sydney would be the garden dedicated to September 11. I thought that was quite nice.

Turning to your question about the OIG (Office of Inspector General), I was recruited. I was finishing my tour in Sydney and I knew my family wanted to return to Washington and I was not looking for another crushing seven day a week, 14 hour a day job. I had been inspected while I was in Sydney by the OIG and a lady I had known for many, many years was currently running the office of inspections, Sylvia Bazala. So I put in a bid and Sylvia got in touch with me and said they were very interested and they had had good reviews of my work based on the inspector's evaluation report during the inspection. They would be very happy if I would come and work for the OIG. So I agreed to do that. She then got in touch with me after I had been paneled and said they had

decided that my first assignment would be to inspect Pakistan and Afghanistan, which was a big gulp.

Q: This is when?

MALLOY: This would be 2004.

Q: So big wars were-

MALLOY: Yes.

Q: I mean in Pakistan although technically in it was certainly a war zone.

MALLOY: And a very, very dangerous place in draw down status because of the attacks.

Q: Can you explain what draw down means?

MALLOY: Draw down is when it becomes so dangerous that the State Department orders all family members and nonessential employees to leave the country. And the embassy in Pakistan in the previous years had been burned to the ground by an angry mob. It was then rebuilt but there had been attacks in Karachi and a number of U.S. Government employees were killed. They were in a vehicle coming to work which was machine gunned. The post had no sooner recovered from that and started to let some dependents back that a bomb was placed at a church in- a church service where foreigners from the embassy went in Islamabad and a number of family members were killed there. It was very, very sad. So you had a post staffed by one year tours, no family members and virtual lockdown of movements. But absolutely critical, not only in a geopolitical sense; here you have a very important country that has nuclear weapons but also very, very important in terms of the supply line up to the U.S. forces in Afghanistan; Afghanistan being a land locked country, if you want to ship material and goods they come in by sea to the port of Karachi and then go over land, over the mountains into Afghanistan. So this would be a big, big assignment for me.

I agreed to do it but the inspection was delayed. Before I even arrived to take up the job it was postponed so the first thing they did was send me to Jordan instead and again, here is a post which is the major supply route for Baghdad and it hosts a number of off-site functions. But it was also a very dangerous place and had undergone a number of bombings though it was not in draw down status, they still had families there. So I completed that and Pakistan kept, excuse me, Afghanistan kept being pushed back and pushed back.

Q: Well let's talk about Jordan.

MALLOY: What can I say about Jordan? Jordan was one of those posts that the ambassador had been pulled out to- because he had tremendous regional expertise and he was helping with Iraq, so you had a long term-

Q: Who was that?

MALLOY: David Satterfield, who was supposed to go out and be Ambassador and got redirected so David Hale was a long term chargé. They had pulled up a DCM to help him out. So part of my challenge was trying to get some attention for the needs of Amman, Jordan, because of course it was totally eclipsed by the needs of Baghdad. But there were a number of security concerns there which I will not talk about but we did our best to shine some light on.

Q: Had the wedding bombing happened?

MALLOY: No, this was before that.

Q: But an AID officer was assassinated wasn't he?

MALLOY: Yes. That happened a year before we arrived. As a matter of fact we were there for the one year anniversary memorial service. He was killed at his home, I believe right as he was preparing to get into his car or right as he was pulling out of the driveway, I do not know exactly. And one of the things, of course, we looked at was personal security practices. So that was something very much on the minds of the people there.

It was the first time I took a serious look into what we call NSDD-38, which is the National Security Decision Directive Number 38, issued by the President of the United States through the NSC, National Security Council, which is the baseline document, the rules of the road for other agencies wishing to expand or contract their presence overseas. Basically it lays out the steps that a chief of mission is supposed to follow when another agency asks to increase or decrease their footprint in that country. It includes a look at the financial impact on the post and administrative support arrangements. And what I found at this post was it was just growing wildly, like any post supporting a regional activity or a war zone or a major new activity and the support structure was not being augmented to handle the expanded demands placed on it by all these new people. The other thing we noted was that vast numbers of these people were, in theory, temporary assignees and so they were not being factored into the cost capturing system. So the State Department, which was a small percentage, I would guess maybe 20 percent of the people physically on the ground, were State Department employees but the State Department was paying 85 percent of the cost of running the platform. At that time I thought this was a problem just in Jordan; it was my very first inspection. Turned out to be a theme at virtually every post I inspected in the next five years. So I started to do a lot of research and talk through this issue with the people at the post. What struck me was that even experienced management counselors at the post did not really know how to tame this beast. They were always under tremendous pressure to just agree, agree, agree and they also felt that in light of this huge national security imperative to deal with Iraq that it would be wrong for them to in any way try to follow the rules or get reimbursement from other agencies. And so one theme for the next five years of work that I did with the OIG was to make sure that we gave some practical suggestions to management counselors on how they could approach

this in a more rational way. You can't just say no. The same thing is going on right now in Afghanistan; they cannot say no, you have to make it happen. But at the same time you want to start a process where you will eventually get your resource allocations on the right track.

Q: Since these interviews will be transcribed and all but you know, sort of lessons to pass on to other ones, what, in sort of general terms what does this mean?

MALLOY: Well it is like the ruby slippers in the "Wizard of Oz." The post, either the chief of mission or the management counselor or the regional security officer, all these players actually had been given tools that they did not seem to be aware of.

For example, a post should not allow other agencies continually to fill positions with a series of TDYers, a series of temporary people coming in for three months, six months. Over the course of four or five years a permanent position in fact has been created and encumbered by a series of different people. And there is actually part of the foreign affairs manual that says the minute a position has been filled by a series of people for one year the other agency must start this NSDD 38 process and request permission to establish a new position, and subscribe under ICASS, which is the interagency cost sharing system, and start paying for it, even if these are indeed temporary people. In other words they are not assigned there with their family, they are not moving household goods into the country but they do use administrative support services. So when we would go to a post where management was either unaware of this or unwilling to put this marker down for fear of hurting their own careers or generating displeasure with very powerful interagency players we would simply include that in our inspection report as a formal recommendation and it gave them-

Q: Which they could then wave in front of-

MALLOY: Exactly.

Q: -the protesting people on the other side, say my hands are tied.

MALLOY: The other thing that we found and tried to help them with was that at the end of a process like this something was put in front of a very busy ambassador that said this agency needs, thinks they need more people and the management counselor concurs and the regional security officer concurs and the agency has agreed to pay their fair costs under the ICASS system. It was a no brainer for the ambassador; he or she would just check off "yes." The flaw in that system was that that piece of paper was not telling the ambassador a couple of key facts.

Number one, there are huge costs not covered under ICASS, the largest being security. State picks up the tab for virtually the entire regional security operation. There are some small exceptions. You can bill other agencies for security at their residence or if they have a separate office and you have to hire additional guards you can bill them but the overall regional security officer set up is paid totally by the State Department. When a

post goes through these major growth spurts all of a sudden because the chief of mission has approved the addition of, let's say, 30 new direct hire positions, that means he now has to bring in a new security officer. So he is hit with the $500,000 additional cost, not counting the security officer's base salary; that is the support cost for this new officer in the security section. The alternative is to hollow out the security section so they cannot possibly do their job.

The other thing that was not being told to chiefs of mission was that even if the other agency said that they would pay their fair share of their ICASS assessment, in Amman that meant the increased cost to support these new people, the ambassador's State budget would have to pick up 85 percent and the other agency only 15 because of the ICASS system. And in the good old days ambassadors could assume that the State Department budget people back here would simply plus up the State Department allotment every year to cover it but then money all of a sudden started to get very tight and ambassadors were told there would be no additional money; if you agree to accept people you have to take it out of your existing budget. So from 2004 through 2008 what we saw was ambassadors continuing to approve positions without understanding the financial impact on the State budget. Then they would come screaming to us saying that they needed more administrative support people, more security people, and I would have to say, "well sir or madam, you have created this monster." In some cases they would tell me that the new mission was critical, that they had to approve these new positions no matter the cost. Our point was there were ways to explore cost sharing with these other agencies or to be very clear upfront and start budgeting for increased State resources rather than assuming they could do it with their existing budget and staff.

Q: If another agency wants to add some people can the ambassador say yes but you're going to have to pay more than the 15 percent? In other words can that be built in?

MALLOY: Well one thing they can do is find out what is wrong with the way they are handling the system at their post. Find out why such a disproportionate share is being billed to the State account. Quite often you will find that they are not using the tools they have to better allocate the costs of communications, pouch services, medical. For instance, when I was at my post in Bishkek, I have mentioned previously there were no USAID officers when I first got there. USAID was not paying a share of the ICASS budget for Bishkek. However, USAID had 70 American personal service contractors working in Kyrgyzstan full time and they wanted those people to derive services from the embassy to include pouch. I told them if they wanted to pay under ICASS for those people then I would provide them services but USAID declined to do that and we had a long running argument.

So sometimes it takes the Ambassador to actually engage with a very powerful interest and say there is something wrong with the way we are doing business. So he would not say- essentially the system does not allow the Ambassador to cut a side deal. Before the implementation of ICASS the Ambassador could say to DOD, well if you want to come in you need to use your DOD funds to build an exercise room for the mission because we need it. That would be a side deal. You cannot do that anymore. But you can fix the

methodology. It is time consuming and it takes a willingness to really go back to scratch but, for instance, when we inspected Canada we found that part of Department of Homeland Security, the people who run the U.S. preclearance centers at airports all across Canada, there were 500 of them, I believe, direct hire U.S. Government employees living and working at these places and receiving allowances, none of whom were getting the benefit of the regional security program. At no time had they ever plused up the regional security staff. It was the same as it had been when they had maybe 100 of these DHS preclearance officers before September 11, 2001and now they had grown to over 500. The regional security officer simply- it was their impression they were not responsible for these DHS people. So I had to go in and sit down with the Ambassador, a lovely gentleman, Ambassador Wilkins and say, "Okay sir, if there's a security incident and one of these people is killed in their home and there is an accountability review board like they had in Amman when the USAID officer was killed at his home, who is responsible for the fact that no security survey was done at the home and appropriate security improvements were not taken?" His quite natural response was that the Department of Homeland Security would be responsible. I had to explain that he was the one who would have to appear before the accountability review board because his letter from the President charged him to ensure that every direct hire, U.S. Government employee under chief of mission control, had an equitable level of security.

So we as the OIG get to go out and bring these hard lessons home but it would be pretty pointless if that was all we did. What we did then was try to construct a recommendation to get them the resources they needed or to get the changes in accounting methods or whatever the problem, underlying problem was to get them back on the right track.

Q: Well did you find that, you know, in looking at your system, i.e., the inspector's system, okay, you see this problem in Amman as endemic, it's-

MALLOY: It's everywhere.

Q: Everywhere. So one of the places I'd think you'd want to start would be, one, at the FSI, Foreign Service Institute, to train both ambassadors and- but particularly administrative officers to take a- this is your responsibility and this is how you fix this-

MALLOY: We do that.

Q: -and then to go out- I mean, was there a- I mean, did you find the system work, you know, here's the problem here and then you had to sort of redo the thing somewhere else or-?

MALLOY: There are many, many, many, many different players. First of all, OIG does brief every single ambassadorial class, as well as the DCM classes. We also send management inspectors to speak at management training, and I myself have spoken in two large training sessions put on by Diplomatic Security. For instance, I spoke to the entire- all the RSOs (Regional Security Officers) from the Asia Pacific region. They were brought in periodically for training. It took four years to get them to the point where they

understood that we were not simply trying to attack them- I am speaking of Diplomatic Security here- but that we were actually trying to help them.

So it would start out by a recommendation at an individual post, say an RSO should do X. And the relationship between the RSO and the deputy chief of mission is a bit awkward at post in the sense that a deputy chief of mission and the Ambassador are the rating and reviewing officers for the RSOs so they are hesitant to be the one to say, " sir, you're making a mistake," or "sir, you really shouldn't do this." They want to give the impression that they have got everything under control. So you have to empower them but then you also have to give them some practical suggestions. After running into this over and over again at many posts I put a recommendation in the Cambodia report that Diplomatic Security should issue a cable of guidance to all RSOs in the field, telling them what their role should be in the NSDD-38 process, that they need to protect their equities, they need to make sure that the document that goes to the Ambassador for decision reflects the impact on the regional security program.

For about a year they did not comply with that recommendation. They said that FSI does training, we don't do training. In the end what became clear to me was that they were not sure themselves what the instructions should be so they invited me to come and speak to one of these training sessions. And I did that but before I did that I drafted a full list of the different areas that RSOs should look at before they sign off on an NSDD-38. I sent it over to DS (Diplomatic Security) and then I did my presentation and took questions and answers. It was very, very well received. And a couple months later they finally complied with our recommendation that they issue instructions. They sent an ALDAC cable out – an ALDAC is a cable addressed to all diplomatic and consular posts- through the DS channel. They took my text and used that in the cable. So we finally cracked the code. It was not that they did not want to comply; they needed someone to tell them how to do this. And so now when we go post to post sometimes we run into RSOs who have seen that cable and other times, for instance when we were in London the RSO had not seen that cable. He obviously was not in the job when it was issued and he was struggling with all the very same things that we had encountered in Canada. So we simply now pull it out and give him a copy of his own diplomatic security guidance and that carries a lot more weight with a security officer than me trying to tell him or her how to do the job.

So where I see OIG's ability to add value is when we can take complex, murky but important problems and pull together guidance and counseling and tell people how to cope with it. Another example is living quarters allowances. If you have a question about living quarters allowances you have to surf through several different parts of the foreign affairs manuals, whether it is a financial side of it or it is a process of approval side of it or security, you also have to go through a variety of guidance on the State Department website. But when we encountered a certain situation, the question being if an officer owns a piece of property in a country where we have a housing program, where we assign officers leased housing or U.S. Government-owned housing but that officer happens to own his own personal housing, can he apply for a living quarters allowance and be paid to live in his own home. And it turned out there was no existing FAM (foreign affairs manual) that directly addressed the subject. There was no definitive

response so the post was just going to allow it. And the difficulty in this case was this was an officer filling a position for which there was a designated official residence that would sit vacant while he collected a living quarters allowance to live in his personally-owned property. And then, because of security, the embassy would have to go into his personal residence and provide all the security upgrades and figure out what to do with the ORE staff and on and on and on. It was a nightmare.

But no part of the Department felt confident in saying to this officer, " no, you can't do this." They all kept referring us to different people. So it ended up falling to me to sit down and pull together all of these different FAM citations and write what was in essence a legal brief, and putting that whole text into our report so that down the road when another management officer encountered a similar situation they would have a reference. They could go back and say, "per the OIG's report of such and such and such and such I can't do this." And again, that is an example of where we add value, we are able to take a position where others cannot. Now of course I had to have all of this vetted by our Office of General Counsel; I am not saying that I personally on my own just did this. But we created a record that could be used in other circumstances.

Q: Well I wonder do they- Did you- Well I suppose we're talking in general but let's move on to you've done Amman and then where, and then we'll come back to some-

MALLOY: I did Amman and then I went to Asia and inspected Singapore, Malaysia and Brunei in one trip. Singapore had a Schedule C, political appointee Ambassador, a high powered guy. Even though his reputation was that he was a bit tough he turned out to be easy to deal with, took constructive suggestions and was no real problem at all.

Q: Did he come from a management background?

MALLOY: Business background. But no, not corporate finance, maybe business.

Q: Well I'm not- but a business background.

MALLOY: Business.

Q: But in many ways you're dealing with somebody who's already been there and done that.

MALLOY: Yes. Had a lot of government experience already, worked constructively with us. DCM was great, Judith Fergin, who is currently in Sydney, was DCM there and she had gotten off to a really good start by doing some very smart things. For instance, when she arrived, if you bear in mind that Singapore has highly educated, very well trained long term Foreign Service nationals working there who see an endless parade of Foreign Service people coming in for a couple of years and moving on, so she made a point of inviting everyone to her home for lunch on a rotating basis so that she met and hosted all of these people in her home. And it did an awful lot to establish her credibility with senior Foreign Service nationals because they will tend to hang back until they figure out

who you are and whether you will respect them or not. And so she right off the bat showed respect for them. And also the American employees thought very highly of her. So that was a good inspection.

The thing that struck us, and actually that inspection was the origin of a separate report that I ended up doing over the next 18 months on the impact of Department of Homeland security expansion on chief of mission authorities. It was where- the first time I personally got to see this massive explosion of all the different elements of Department of Homeland Security, the Transportation Security Administration, the Immigration Citizenship Enforcement folks, the Customs Border Protection folks, the Coast Guard was there running a training program, because of course Singapore has a huge port. So that issue there and the impact on that small post generated quite a good report after we gathered data from a number of other places.

The other interesting thing there was it was one of the posts where the senior military- U.S. military rep in country was not the defense attaché but rather the officer running a very large military assistance program. Now, it has taken five years but finally the Department of Defense has come up with a unified position for that, a way of designating who will be in charge and so there is no longer a competition but at a number of places around the world you would have competition between those two positions, one of which is under chief of mission authority, the defense attaché, and one which is not because he is under the regional military command and yet has tremendous influence on the host government because he is the one handing out a lot of military goods. So that was an interesting thing.

Went on to Malaysia, a very interesting post, and there ran into a phenomena that we saw in Amman as well. Often a post's human resources section will become firmly entrenched in the hands of one particular ethnic or religious group and they begin to, consciously or unconsciously, screen out candidates. For instance, when we were in Amman, Jordan, a Muslim country, the HR section, virtually every single employee there was Christian, and when they did summer hiring they, at the time we were there, were only reaching out to the YMCA for summer recruits. And there were allegations of bias. In Malaysia we found that virtually every professional job in the embassy was filled with ethnic Chinese and the ethnic Malay were only drivers or maintenance people. And the Foreign Service national staff was quite insistent that there were no Malays who could possibly carry on a professional job; claiming that they did not have the English language capability, according to them, and they did not have the work skills. Clearly something we would never allow in the United States and so we asked them where they were advertising? And it turns out they were only advertising in publications that would be read by the ethnic Chinese minority. So we put in place a couple of steps to force them to break this lock and to start bringing in Malays. We did not want the U.S. Embassy to be part of a local ethnic controversy.

So these are things that we come across that quite often the American management staff is totally oblivious of. And the Ambassador was quite surprised and it had never really occurred to them to look at this issue. We tend to focus in our equal opportunity

programs on the American staff and then we also have programs for the local employees to make sure they are not harassed or discriminated against but this was a case where the Foreign Service national population had lost faith with that system so there were no complaints being made. Employment applications that were denied and being screened out were not being reviewed by American staff. So it was an eye opener for me, seeing this at two of the first three posts I inspected.

We then went on to what was considered to be a very, very short and sweet one week inspection in Brunei at the tail end. At this point in a three country inspection trip you are exhausted. We had already been on the road six weeks, we were very tired, we wanted to get home, we were going to just dive in and out. It was a tiny post with six Americans maybe, and it turned out to be one of those posts that was abysmally unhappy. Just about everything that could go wrong with a post was going wrong and we had only five days to deal with it.

Q: Was this- had this been something that had been going on for some time? It was just a combination-

MALLOY: It was a very bad combination of individual personalities. The Department's lack of attention to its efficiency had been a long, long time problem. Any small post is inherently inefficient and the State Department feels or many people at the State Department feel that there is a bare minimum staffing for an embassy, every embassy has to have certain functions. We got out there and found that the embassy was maintaining a warehouse, which was poorly run, and the warehouse was full of old junk that should have long ago have been gotten rid of. It had all sorts of security systems but they were not working properly. And yet Brunei sits one shipping day away from Singapore. In other words, if you have a need to get a shipment of furniture, a household of furniture, or anything else, all you need to do is ask the warehouse in Singapore and a day later it would arrive in Brunei. Our first question was not how do we fix the warehouse in Brunei but rather why even bother having a warehouse in Brunei? Why not push warehousing function back to our Embassy in Singapore? So we were looking at regionalization, which is what we were supposed to be doing. But when we ran this past bureaus in Washington it was as if we were heretics. People thought that every post had to have a warehouse, every post had to have its own communications systems, but when you look at the expense and the number of communications sent by a small post such as Brunei, it made absolutely no sense to have a full-time communications set up there. And this is before the State Department had what is now called the "thin client system" that it uses for a lot of these posts. The thin client system allows you to run much of the basic administration and communication systems from a remote location rather than having a full-time employee at that small post.

We also had serious questions about the way consular operations were being run there but the bottom line was that it was a post with serious issues. And so we ended up writing a report and then coming back to Washington and telling various bureaus that they needed to make some business practice changes and they needed to do them very quickly. But also we focused on of regionalization and as a result of this inspection EAP did

regionalize procurement, warehousing, and a number of other administrative support services. The Embassy in Brunei no longer does these but rather they are done by Embassy Singapore, where they can be done much more efficiently by people who are experienced, saving the government lots and lots of money. The then management officer at Singapore who implemented these changes ended up getting a Department award, for doing all this. That made my people feel good but since it was their idea in the first place- But anyway. It was very well done. But regionalization was another focus of our inspections. I was surprised at the resistance to it for all sorts of reasons. I think the post felt that if we started to remove even one American position that they would no longer be viable and somebody would shut the post. We were not out there to recommend the post be shut but there were huge problems that needed Washington's attention. I should make clear that the COM and his DCM were both hard working and very capable officers. These were Washington problems.

Q: Well what did you feel about- In the first place, you know, Brunei is one of these places that one thinks of golden bathtubs and things like that. I mean, what was, I mean, in the first place, what were your impressions of Brunei?

MALLOY: It was bizarre. When you get to the downtown city, which is on the scale of a village in West Virginia. I mean, this was tiny. I think the Bruneians number maybe 600,000 in the world but they have a large guest worker population. The people you see on the streets are Malays and Filipinos and a variety of other ethnic groups because Brunei sits on Borneo just down off the tip of, the southern tip of the Philippines. So it is a real melting pot.

Q: The Pelumpong Island practically hit- yes.

MALLOY: Yes. And actually, in terms of the war against terror, those islands in the southern Philippines were a huge concern to us.

Q: Yes. That's the scene of mainly Muslim-

MALLOY: Yes.

Q: -morrows and they've been doing this, I mean, we got it in 1898, we ended up-

MALLOY: Well the origin of Brunei, of course, was that these people were pirates and they lived in waterway system. In fact, in much of the capital city, the housing is on stilts on the waterway and it is all very picturesque. They have people in long boats who operate as water taxis, ferry people back and forth. Yes, there were a few spectacular buildings, especially a large hotel complex about 30 minutes outside of town, built by the Sultan's brother, but virtually no guests were there when we visited it. And any hopes they may have had of tourism, the problem was it is a completely dry country, even hotels that cater to international visitors cannot sell alcohol. It is literally the end of the earth.

Our embassy, which has since moved to a new embassy compound, blessedly, was on the second or third floor of a building that was fronting literally right on the street. Because of the heavy monsoon rains the second floor of a building was constructed to overhang the sidewalk so that you could walk during the monsoon season without getting rained on. Right below the embassy was a Chinese restaurant and above what used to be the Australian embassy but after September 11 the Australians decided to move to another building. There were real worries about security, about what entity would lease that vacant space and would be located right above us. Anybody could have moved in there, the Libyans, whoever, so not only were we vulnerable because there was literally no setback, we were right on the street, the only major four-way intersection in the whole city.

Q: So you could drive a car up on the sidewalk and boom.

MALLOY: Right. But also we could not control who was leasing the space around us, either below us or above us. So one of the things we decided to do was to help make the case in Washington that the embassy should lease that former Australian space. I called on the Australian DCM while I was in Brunei to talk this through and found that they would be thrilled with that arrangement. Otherwise they would have to spend a lot of money to return the space to its original shape before they gave it back to the landlord. If we took it over we would take it as it was and would put in an internal staircase so that we would be able to get back and forth between the two floors without leaving embassy-controlled space. The Australians had installed a hard line of sorts, a protective wall, but it did not meet U.S standards but it was certainly better than what we would otherwise have in place. Initially everybody in Washington said "no, no, no, too complicated, can't be done," but we pushed really hard in Washington and it did get done, we got that Australian space to use for the time until an entirely new U.S. Embassy compound could be built. We also helped the embassy push through the approval process space for a new chancery and worked with OBO to get that built. So though we did end up taking away their warehouse and some of their management support functions I do not think they would have gotten that expanded, improved space or the new embassy site without our help. And the Australians were great; they left behind everything, even the office furniture. So it was a wonderful improvement for quality of life for the U.S. Embassy workers there but I was very glad to see that they were finally moved into the new chancery out on the edge of town. Though, with the cost of building, any chancery that is built these days, you are looking at $40 million. I mean, no matter how small it was. And so there was a huge question in our mind, did the U.S. government really need to have an embassy here at all? But that was heresy.

Q: I mean, taking a look at it, why do we have an embassy there?

MALLOY: That was a very good question. Well, aside from the fact that the U.S. Government attempts to have representation in every country, we felt that somebody accredited from a nearby embassy could represent us in Brunei. But in the bad old days the Sultan of Brunei was quite helpful to the U.S. Government in our tin cup exercises

and I think the feeling was that we needed to keep that relationship open. Also, pulling out of a, at least on the surface, friendly Muslim country was not a smart thing to do.

Q: Yes. Well also, as I recall, our embassy got pretty much involved in Desert Storm, our gulf war, in borrowing or getting contributions from the sultan.

MALLOY: Yes. So our job was to identify inefficiencies, look for waste, fraud and mismanagement but we were not, at this point the Department had not asked us to go about and identify posts for possible closure. Though I have to say many, many posts think that that was what we were doing. For instance when we inspected Canada we were short on time, short on travel money and short on inspectors so we made a decision not to go to the very, very small constituent post in Halifax. That panicked them; they felt that meant that they were on a list for closure and we came under intense pressure to go there. In the end I did dispatch three people to fly out there for two days at the request of the embassy, solely to calm these people down. The inspectors came up with some interesting things. But we also have to choose where we are going to focus our limited resources.

So Brunei was interesting, not an experience I ever care to repeat again, but now I can say I have been there, done that and came back home.

Q: Then where else did you go?

MALLOY: I'm trying to remember the order. I think Pakistan/Afghanistan again came up. We prepared for Pakistan/Afghanistan but, once again at the last minute, the Ambassador managed to have Afghanistan postponed. So a decision was made to go ahead and do Pakistan by itself. So we went out, inspected Pakistan, which was very intense but again very useful. We went through all of the NSDD-38 issues, looked at regionalization, huge security focus, of course, but also, that was my first exposure to a program of incentives to get people to bid on these tough jobs. And what we found was that Pakistan was the stepchild when it came to bidding incentives. FSOs had a package of incentives to entice them to go to either Afghanistan or Iraq and while the need in Pakistan was just as great and service there in some ways was just as tough or tougher yet FSOs were not offered the same incentives so Pakistan was always losing out. And when I say "tougher" as tough as it is to be in Baghdad or Kabul, you have U.S. forces around you, protecting you. In Pakistan you are on your own.

Q: Well we've lost more people in Pakistan, I'm talking about State Department civilians, than we've lost in Afghanistan and Iraq combined.

MALLOY: Right. And the difficulty was, for example, while we were there there was an explosion at a mosque a couple miles from the chancery. The rabble-rousers told the crowd that the United States was behind the bombing and within moments there were 10,000 people marching towards the chancery. Now, this was a chancery that had been burnt in the past with a loss of life.

Q: Sure, by a rapidly assembled mob.

MALLOY: And we had a mob coming towards us. It also had a phenomenal Ambassador - Ryan Crocker, an excellent DCM, everything was well organized. Every direct hire employee who was authorized a service weapon, and that was everyone from the defense attaché to the Marine security guards to various law enforcement officers, had drilled and drilled emergency response plans. They were each responsible for protecting a segment of the perimeter, they knew exactly how they would retreat, if needed; they were the only protection we had. I mean, there were no U.S. forces coming to rescue us. That is why I said it could be more frightening to be there than in these other high stress posts.

Q: When the embassy was burned in '79, the Pakistani forces didn't show up.

MALLOY: Exactly. You can't count on them.

Q: And you know, this has always been sort of problematic and what the hell is going on.

MALLOY: Well that's why the government of Pakistan paid to rebuild the chancery but they certainly can't restore the lives that were lost in that fire.

So that was interesting. But we came away really, really impressed with the way post management was running that embassy and indeed Ryan Crocker then went on to Baghdad, where he did an equally wonderful job.

Q: Did you run across a phenomena that I observed when I saw in Saigon, and that was that in a wartime situation you get some very good people but you also get a significant number of people who are fleeing a bad marriage, out to pick up as much money, they've got drinking problems; in other words, you get the-

MALLOY: Poor, poor performers. Absolutely. I mean, you find that in every post and that was part of the challenge of managing one of these high stress posts. Something that I admired about Ryan Crocker was he got personally involved in ensuring that everybody understood personal security and that they followed the rules. For instance, drinking and driving. When you have lots of temporary duty people there with guns, running around the country, you have to be careful. And he made very clear in his staff meetings and put out written notices stating that the very first time somebody was involved in a drinking and driving accident they were out of the country, he was sending them home. Absolutely no tolerance. And he took the same stance on other issues; while we were in Islamabad there was a change in mail processing procedures. Somebody at someplace in the world was shipping illicit things through the military mail system and so the mail clerks were now required to open every package and inspect it before accepting it. So this-

Q: I think we'd had some problem with some military wives sending stuff from Colombia.

MALLOY: Yes, we did.

Q: Through the APO.

MALLOY: Yes, drugs. But this was a significant change. Now normally the embassy would put out an administrative notice or something and there would be lots of grumbling and people getting angry. In this case the Ambassador himself, at country team meetings, said, "we've been instructed, we have to make this change, it's a privilege to have this mail service, we have to follow the rules. The very first person who harasses a mail clerk is going to hear from me. We are all going to be professional and we're going to comply." And he set the tone from the very top and followed it through. So I had a lot of admiration; in this type of situation you have to have that. He was not a warm and fuzzy person by nature but he protected his people and you know, that's very, very important.

After Pakistan, where did we go after Pakistan? After Pakistan I was here through the summer and inspected part of the Bureau of Diplomatic Security. That was where I first got into the large protective security contracts overseas. We recommended that the Department improve oversight of these mega contracts. Then came the Hurricane Katrina, which we talked about, and then I went to Colombia, which was another huge post with many, many different agencies running ginormous projects. The bureau at State that deals with international narcotics had a huge program down there, trying to staunch the flow of Colombian drugs up to the United States. AID, Agency for International Development, was working with them, trying to get farmers to substitute other types of crops instead of growing cocaine. Huge military cooperation programs, everything under the sun. So you had a mission that was just bursting at the seams but what we found that was not working well there was internal discipline. It was a cowboy atmosphere. People would come into the embassy cafeteria wearing weapons, you would see guns lying on desks. Unfortunately, right before we got there another agency person was killed with his own service weapon, just playing around. Not murdered but ended up killing himself playing a drinking game with his service weapon. So we made put a major focus on the program at this embassy for handling firearms. And I found that it was not something that was very well documented; traditionally was always left to the regional security officer but in this environment the regional security officer was A, too busy and B, outranked by a number of military and law enforcement players. So we had to charge the Ambassador to develop an ideal list of things, a whole life cycle for approval and handling of service weapons. What we found was the Ambassador would give and individual permission to have a weapon and that would be the end of it. The security officer could not even tell us who at post had current approval, they had no idea who was maintaining their own agency's- whatever the rules were for maintaining accuracy, training, viability; there was no system to make sure that somebody had not developed a drinking habit or fallen into a serious depression; nobody was watching for that and nobody was setting out comprehensive rules on weapons storage and limiting where in the embassy these weapons could be carried. So we worked that up and made it part of our recommendation. Subsequently the regional bureau, Western Hemisphere Affairs, picked that up and circulated guidance through diplomatic security channels to all RSOs in the Western Hemisphere. They laid out the Bogota process as a model that the other RSOs should follow. Since then virtually every post I have inspected has done a much better job in management of official weapons.

A number of substantive things that we ran into there that I really can't get into in this environment but Plan Colombia was a huge animal. It seemed to be so huge that everybody assumed somebody else was watching it from a strategic sense and that the embassy had a good Ambassador. He subsequently went on to Afghanistan, Bill Wood, but it just struck me that there was too much coming out of there, all good news and not enough about the realistic warts and challenges, that we were assuming too many things. But still it was a very important relationship and it still is.

Q: Well did you find sort of the inspection process has gone- I mean, this is the great development during the, I think, 1906 or so when they established the consular service, professionally they had consuls general at large who actually went around and inspected. Did you find that as inspectors you acted as sort of traveling psychiatrists, too? I mean, you know-

MALLOY: Oh yes. Huge part. We actually end up spending more time counseling people than on our formal tasks. Most of the good that we do at posts never shows up in the report. So there are two aspects; dealing with the stresses and strains of different groups and it can be everything from entry level officers, spouses, quite often have their own set of concerns. Many, many posts have a lack of attention to the needs of single people, they tend to be more focused at making sure the families are well taken care of and you have these other unhappy, lonely people who are not connecting. So there is all of that.

Then there are Foreign Service national grievances, in various forms, but the other huge counseling benefit that we bring is the average inspector is a very, very experienced officer or Civil Service expert in a particular field. They have seen everything around the world. So they can sit down with officers and show them best practices, guide them towards references; help them figure out the best way to approach problems. I focus on counseling on NSDD-38; the other thing that I spent a lot of time on is intergenerational conflict. Also I work with female employees, making sure that they understand the body of literature that is out there that they should focus on. Quite often female employees are very hesitant to ask for help because it is considered to be a sign of weakness and so they need to know that there are resources out there for them to look up.

So yes, we end up- It can be hard. You also tend to attract the complainers; every post has a number of people who want to dish the dirt on everybody and I try to make clear that we are not investigators, we are there to look at the programs, to determine whether the programs are working. If it is waste, fraud or mismanagement, yes, we will take that onboard and put it in the proper channel but you end up- psychologically it can be stressful.

Q: Well, a couple things. I'm not sure, when you started this, at one point, and again I'm speaking of somebody who there's almost not a word when- by the time I retired in '85, but it became very much in the forefront, was sexual harassment, and avoiding and making sure that the writing used he, she and it, sort of like it seemed better if we'd

almost used "it" as an individual. But I mean, all sorts of things including, of course, what anybody would call sexual harassment. Was this much of an issue by the time you became an- or does it remain an issue?

MALLOY: Of course, it remains an issue. It is an issue in places where there is personal bad behavior on the part of individuals. It is not an institutional issue at the State Department. As a matter of fact at every post we look at the federal women's program, we make sure that there is a designated family officer, an active equal opportunity program. We look to see that these programs are in place and we will review the record of complaints to see if there is a pattern, and if there are no complaints we will look to see whether people have lost faith in the program, why there were no complaints? But we are not there to be the first source of redress. What upsets me is when people come to us first and they have never filed a complaint, thinking that we can take action. They do not want to file a formal complaint or they are afraid to file a complaint and they want to put it in our lap. That is the wrong way to go; that is not what the OIG does. So I will have to steer them back to the EEO rep and tell them that unless they have the courage to make a formal complaint there is not much I can do. The Department does not deal with anonymous complaints. If you are not willing to look somebody in the eye and let them defend themselves against your complaint I cannot pursue it. Obviously there are exceptions. But to answer your question, there are some very real problems that come about when people make decisions based on their personal biases and we will still run into these things. It is not my favorite part of the job but it does come up.

Q: You mentioned intergenerational. Please explain.

MALLOY: Here I am talking about the fact that the federal workforce is molting. If you think of a large eagle shedding its feathers and growing in new ones and there is that awkward stage, and by that I mean those of us who are baby boomers and the World War II folks who are still working for the federal government are at a point where most of us are eligible to retire, if we have not already done so. And there was a relatively small group of what is called Generation X who came to work for the State Department but that was during a time period when we were not hiring to cover attrition so these Gen Xer's are not as numerous as the baby boomers. And they have been patiently waiting for people like me to retire and go away so that they could finally run the show. But what has happened is while they waited and waited and waited – a bit like the British monarchy with the 50, 60 year old royal prince waiting for the queen to move on - a new generation has come up, Generation Y. In the last three or four years these folks have started to come in to the Service in fairly large numbers. The way these different generations take in information, the way they concentrate, their sense of how long one stays on a job, the way they ask questions - they are all very, very different and fraught with intergenerational conflict. So what I try to do is to get the baby boomers who tend to be the managers and leaders to realize that what they dislike or find abrasive about these other groups is not an individual's trait but rather it is a generational characteristic. They need to learn to manage those differences, they cannot just reject them. And the example I give them is when I started as an entry level officer, then called junior officer, the managers who I knew would lean back in their chair and put their feet up on their big

wooden State Department desk and tell me that if I worked really hard, 20 years from then I could have their job. And that was a little disconcerting but mainly motivating, for me, because I am a baby boomer and I wanted to spend that 20 years in the Department. But if you say that to a Generation Y they are going to run screaming from the State Department and find another job because they do not plan to be in any one job for 20 years. Their time arc is more like five years. And so if today's managers do not convince the Gen Y's that they can get that variety of experiences and intellectual stimulation in the Foreign Service over the course of 20 years, we are not going to keep them. We are going to spend lots of money training them and constantly have them walking out the door. That is just one example. But if that Gen Y says to the baby boomer, what do you mean 20 years? Five years from now I'll be gone." The baby boomer manager thinks that that new employee is flaky, disloyal and automatically assigns all these negative characteristics to what is a very typical characteristic for that employee's age group.

Q: Well is there any way of attacking the problem?

MALLOY: Well first of all the Department is just becoming aware of it and I am pleased to see that FSI is now running courses on this. The first time I encountered it was when I was working on the large expansion that Secretary Powell brought about, the diplomatic readiness initiative when we brought in hundreds of new officers. In my research I started coming up against this problem. As the Foreign Service was having intergenerational conflicts with the Generation Xs at that time, I spoke with the Foreign Service Institute to discuss how we would need to factor this in when planning for the expansion of training for these A-100 classes. The folks at FSI were not all that familiar with it. So I came over and did a session for a bunch of people here and gave them the literature and showed them the websites and so I am really pleased that this has now become an ongoing subject of discussion at FSI.

We are having today, as a matter of fact, at our OIG training for new inspectors this year, a session on this very thing, intergenerational conflict and how to deal with it. Because for instance, at one of the posts that I was sent down to inspect, which I will not name, we were sent there because so many first tour and second tour officers resigned in a one year period. The DG (Director General) wanted to understand what the problem was. It turned out to be, to a large extent, intergenerational conflict with one particular mid-level manager.

Q: How did it manifest itself?

MALLOY: Well people told us that the work experience they were having at that embassy was not what they had signed up for. These were people who joined up after September 11, wanting to serve their country. They believed that they had many talents, but they were being treated as if they were raw recruits, mindless. In many cases these people felt that they were bringing more experience to the job than the mid-level managers who were supervising them. And in some cases that was actually true. We have a lot of second career people join the Service. But that is not the problem. The problem is the way they are being managed. Then also a lack of respect, which is very important for

them, they felt they were being dissed, as they say, they were not being given the meaty assignments they thought they should get. Nobody sat down with them and said "okay, this is how you view the job, this is how we view the job, let's find a way in the middle." There was just this clash of wills. So people were walking off and saying "okay, fine, I'm going to go back to grad school or I'm going to find another job." But when you sat down and talked to them it was their disappointment with the Service as exhibited by their interactions there at this post. So it was a tough one.

Q: Yes. Yes, here I am 81 years old and I remember at one point, during the late '60s, I was with a group that was called the Young Turks, and our- Tom Boyatt was sort of the standard bearer of this but there was a real generational thing in that the group above us had absorbed the old Foreign Service attitude, well, if you didn't have money but hopefully you had your own private wealth, you didn't- you acted as though you had it so that when you moved from the Department to a post your pay record would be sent by slow boat and so there'd be quite a gap before you got paid. Well we were, most of us were living from paycheck to paycheck because you do in your earlier career, and we were beginning to make rule- say come on, do something, and allowances and all this and the older group didn't see what the problem was because you didn't talk about those things.

MALLOY: We did talk about money.

Q: No. You know, and these are battles that are fought and essentially won and now we move on to other things.

MALLOY: Well and the new generation pockets the gains fought for and achieved by the previous generation and then presents their own demands. So you get no sympathy when you outline what it was like when you started. They are not interested because their reality is what it was the day they walked in.

Q: Sure.

MALLOY: So for another example, I could always tell the writer's generation by reading the survey questionnaires. If the officer says that he or she has been mistreated by the embassy almost to the point of having their human rights violated because their assigned residence does not have high speed Internet, I can tell you that the writer is a Gen Y, without even meeting the person or looking at their date of birth. The assumption that the Internet is automatically going to be available, both at work and at home, wherever they are in the world is because it always has been available for these folks.

If an officer tells me that the manager just does not understand and will not allow them to leave the visa line so they can sit at their desks and communicate on email or Facebook, that they need time off the visa line to do this, I can tell you-

Q: These are personal messages.

MALLOY: Right.

Q: Yes.

MALLOY: But for this generation being in touch with your friends and your peers is incredibly important. So you can see the conflicts if somebody-

Q: You know, the hackles of my head are beginning to rise when you say that.

MALLOY: Exactly. And this is what leads to conflict.

Q: Yes.

MALLOY: And there are ways of dealing with it on both sides, raising their awareness that this is not an idiot, this is a person saying a perfectly normal thing for the environment in which they have grown up and they need to talk their way through and find a solution that works for both parties.

Q: It's the same thing that has been well documented about particularly African Americans; you know the generation before this said boy, we won the battle of civil rights and all this, you know, you're an Uncle Tom because you're not- you know, the goals keep getting raised each time and this is true of every group.

MALLOY: And to be fair, we parents are responsible because we have raised these cosseted, coddled children who have had parents hovering, that is why they call them helicopter parents, over them and attending to their every need. And so another common problem is this whole approach to working outside of hours. When you or I were invited to a cocktail reception we knew that we were not going there to be entertained, this was work. You are there because the person hosting it cannot possibly speak to all of the host government officials at any one time and you are there to accomplish a mission. So you do not just ignore the invitation. Well, with the new officers coming in, either no one has told them that or they do not agree, so managers will get such questions as, "I will only come to the reception if you pay me overtime" or "you pay the cab to take me there and take me home." In some cases the entry level officers do not even RSVP. One DCM told me that he rode down the elevator with a new officer who was invited to a representational event at the DCMs residence that evening. The DCM assumed that the ELO was en route to the residence which was located just across the street from the chancery but as the two of them reached the ground floor and the doors opened, the officer simply wished the DCM good evening and went on his merry way without even indicating why he was not coming to the reception. Again, this is generational and it has a lot to do with parents not forcing their children to RSVP when they are invited to an event or to write thank notes or all those old rules that a lot of the baby boomers thought were silly and wanted to dispense with but are actually very important when it comes to being a diplomat.

So anyway, it is one of the things that I have chosen to put time and effort into. At the end of the day there are a number of substantive things that I cannot discuss here that I also focused on, I do not want people to think that all I think about is administrative management; it is just I cannot discuss the others.

Q: I wonder if you could- we've touched on it again and again and again and we're reaching the end here, I wonder if you could sort of encapsulate your experiences in the Foreign Service, and maybe even before that as a life experience, the changes that- I think they've been profound, of being a woman in a professional capacity, particularly the Foreign Service.

MALLOY: Well there is certainly much more attention paid to the needs of families. That is very welcome. I am not always terrible sympathetic with some of the newer employees because, as we just mentioned, I remember the days when it was so much worse. I think I mentioned when my orders came for my first transfer – from London to Moscow - my two year old child was expected to go off on her own on home leave without me and I was to go to Washington for training. I was a single parent and the Department just did not have any sense of what that meant for a single parent.

But there is still, even though there is no institutional problem there is still a lot of personal biases and that is the toughest thing in any society to resolve. Also women hurt themselves, when they sell themselves short. One example of that is, as I go around the world, if an opportunity is offered to a professional woman in the Foreign Service nine times out of 10 she will stop and say "I'm not sure I can do that. I'm not sure I'm perfectly equipped right now to take that on." There will be a hesitation. Where a man will say, and I'm generalizing here, I admit it, but most men will say that they are absolutely ready to accept the assignment, knowing that they can grow into the job. They do not seem to feel that they have to have all of the skills right now. And so women are more hesitant and one thing that I do, I do a lot of informal mentoring and I am forever getting women coming to me and saying "oh I have an opportunity at such and such but am I really competitive? Is this really smart?" Myself, when I was offered the job as Ambassador, doubted I could possibly do it. A couple of good friends, including Harry Thomas, who ended up being Director General, took my husband and me out after work for drinks and drilled into me that I could do this, that this was something I should do. I do not think anybody had to convince Harry Thomas that he could be an Ambassador. He just knew it. So that is something that is still out there but institutionally-

Every time I come here I look at this huge child care facility out front of FSI being built to care for children of officers who are studying here. That is also something that came about as a result of Secretary Powell. There had long been a desire to build it but he was the one that realized that if we were going to plus up, pull in all these new people, there needed to be someplace for their children, while they were in a short transition through Washington. I'm really pleased to see it being expanded now.

So institutionally, yes, it is a much better place for women. If you look at the lineup of Assistant Secretaries now, there are lots of women. I am waiting for the day when you have a female Undersecretary for Political Affairs. That is, for me, the next glass ceiling.

Q: What about, have you seen a change of, that's very general but the role of the U.S. in world affairs? I mean, one of the things that had struck me in my interviews, particularly with people who are serving in smaller countries where the American ambassador and his or her staff often end up by taking the initiative in human rights problems or promotion of democracy or something, and I think it's almost, although it's maybe in our charter, it's more on the personal initiative. Where other embassies sort of sit back and observe we tend to get involved. Have you noticed this?

MALLOY: Well other embassies are focused on what is best for their country, where the U.S. embassy is focused on what is best for the world. And by that I mean we quite often take positions that are detrimental to our relations with that country but are for a larger good. And you touched on human rights, trafficking in women, promoting rule of law. It is very, very difficult to be an American businessperson overseas when you are competing with businesses from other countries where there is no criminal liability for bribing a host nation official, and you are not bound by extra territorial legislation such as the Iran/Libya ILSA Act (Iran and Libya Sanctions Act) or legislation relating to expropriated property in Cuba; there are perfectly good reasons for these legislative restrictions. I am not saying they are wrong but it is not a level playing field for U.S. business overseas. And the world has come to expect that we will play this role and I wonder sometimes if by being the first to jump in there and do this we are giving other countries an easy pass.

Q: I think it's undoubted. You know, one always thinks of particular the Scandinavian countries; they're quite free to criticize and all and to pat themselves on the back but they really take very little responsibility.

MALLOY: Well, I am not sure I would agree with that, just in that particular example, because they are leaders in- if you look at the number of refugees accepted, if you look at donations to the United Nations on a per capita basis, certain countries have really stepped out ahead in some of these things but in terms of making it an internal part of their relations with every government in the world? For instance, I tend to doubt that the Scandinavian embassy in Country X is dunning the host government on its human rights approach to the extent that the U.S. Embassy is doing. It may be supporting the issue at the UN and at select agencies and through voluntary donations but it is not publicly harassing governments who are abusing human rights. The opposition members, the ill treated minorities, the dissidents in any country always know that they have to go to the U.S. Embassy to get a hearing. They will not get that from many other countries' representatives. So it is a curse and at the same time a point of pride but it does hurt us in ways.

Q: Well I also feel that- I know almost internally, I mean, this is maybe the American culture, maybe it's changing, but you feel that you- if there's a problem you should fix it.

You know, I mean, sometimes I run across this, this is a- sort of a sexist thing, my wife gets mad at me when I say, you know, she'd come up and say there's a problem, we ought to do- and I'll say well let's do this and that rather than sympathize, you know, this is a guy and a gal and as a guy I say okay, don't tell me your problem, let's figure out how we deal with it and I have to try, not without- with very little success to spent that time sympathizing before I-

MALLOY: Well it is actually a Myers-Briggs- you are a "J", then, you are judgmental, which means you are driven to resolve things. I'm a J. It isn't necessarily a male/female thing. I ran a training course this week and one of the things I explained to the people who would be working for me was that before they started telling me what the problem was, they needed to make clear to me right up front whether they had it under control and were simply keeping me in the loop or whether they wanted me to solve it. Because otherwise all I will hear and all I will be thinking about is how to solve the problem and I will have made up my mind before they were done telling me about it. That's a J personality.

Q: Okay.

MALLOY: Yes. But no, it is difficult but it is also point of pride that Americans do care about these global issues. What is disturbing to me is we are at the same time the most transparent society on earth. We talk publicly, in the media and in movies about our warts, our faults; other countries do not need to make up disinformation about the United States. We do it to ourselves. And again, that is a point of pride, our transparency. But it also undermines peoples' belief in the United States. When they read about internal corruption in the United States and then hear that the U.S. Embassy is fighting a battle against corruption in their country, it tends to diminish our message. Even though the level of corruption in the United States is miniscule compared to their own, they do not read in their media about their own officials corruption and they do not read about corruption in European countries but they do read about it in the United States. How many U.S. congressmen have gone to prison, how many U.S. governors have had to resign for various bad reasons involving women; again, it is part of the United States. We appear to preach a lot but not follow our own preaching, in the minds of a lot of foreigners. So it is a quandary when you are representing this messy, admirable, wonderful country overseas you have to be adroit, you have to be able to look someone in the eye and explain all this. Not easy.

Q: Yes. I can recall one time visiting an American in jail, in a Greek jail in Corfu for drugs and all, and I was talking to the warden and he would say well we give him the magazines and all. There was <u>Time</u> magazine and <u>Time</u> had a huge exposé on the shame of Arkansas jails, which were crowded at that time and pretty awful, and I thought oh God, don't let him, you know, I hope he- he didn't understand much English so I was pretty- but I was just afraid he just might open the magazine and turn to it because the things that were happening to our Americans in jail was, you know, sometimes they- I mean, they basically lolled around and played the guitar all day. And the problem was

some were complaining because they were given meat three times a month and they were vegetarian.

MALLOY: Oh yes, they have. Well you know, that is the thing. We believe in transparency.

Q: Yes.

MALLOY: We wash our laundry in public and that is just who we are. Sometimes we share more information than anybody wants.

Q: Did you have any feel about any of sorted of the administrations. Of course you're still working for the government so I guess you have a problem there but did that play any role. Did you feel- How did you feel, you might say administrations project their policies; is it poorly done or-?

MALLOY: They do but our role in the Office of Inspector General is not to develop policy but rather to inspect the implementation of official policy. So for instance, Plan Colombia. You educate yourself on what the policy is and then while you are inspecting the post you need to decide whether the embassy leadership is acting in accordance with that policy. So we do not so much evaluate the policy. So I would not necessarily want to go down that road but there definitely is a difference between different Presidential Administrations and where they choose to put their focus, whether it is on resolution of certain conflicts or on military action or democracy promotion. You will see different posts and different bureaus' level of resources ebb and flow over time and because it is a very unwieldy machine sometimes by the time the resources arrive the government has moved on to a different policy imperative. The most blatant example of this, in my opinion, will be our new chancery in Iraq. I did not inspect our Baghdad Embassy but another OIG team did. It is huge. And as we draw down forces and our relationship becomes more normal it will be far bigger than we have any need for. And somebody going in there five years from now will say "what in the world, why are we here in this enormous building?"

Q: Well I've talked to somebody just yesterday who said they were, I believe in El Salvador, and they went to El Salvador- and so we have this huge fortress which was built for when there was a war going on there, basically, and you know, they're scrambling to try to figure out how to use this place, turn it into a sort of a regional center and all, but I mean, it was built- it's sort of like, you know, a Norman castle sitting in the middle of a peaceful-

MALLOY: There is a couple like that. I am not so sure about San Salvador because I inspected that embassy and they were hanging from the roofs, it was very crowded. But- because that's not one of the new buildings. But they built an enormous chancery in Cambodia. You could bowl on the third floor. They actually set up a children's play center on the third floor because it was empty. You end up with these situations when people say "if you build it they will come" and that was exactly what happened. Overseas

growth goes where a chief of mission is willing to accept the new positions, and not necessarily where they are needed. So it will eventually fill but at the time of our inspection there was no need for all that space.

But as far as differences between Administrations, from an inspection point of view, it is hard, I have gone through one transition. I think that my front office, the Inspector General, has changed with the personality of each new IG. Some want the OIG to be focus on the long term health of the State Department while others want us to be focusing on where the U.S. Government is investing the largest sum of money right now. And those two are not necessarily in synch.

For instance, the long term is sticking to the schedule of inspecting each post every five years. That ensures that the small posts, those that usually fall below Washington's radar screen, do not become poorly managed or do not become places where there is fraud or abuse of employees. If you just go after the big money programs in effect you will never go to any of these small posts and that could be very, very dangerous. So I have seen those differences, the pull and tug. The other one is a question of transparency. When I started inspecting the reports were kept "sensitive but unclassified", which meant they could not go on the Internet. Now they are posting virtually all of them on the Internet and what that means is we have to change what we write about. If you are writing a report and you are discussing frankly tensions between agencies or vulnerabilities you do not want that out on the Internet because that would be harmful to the government. Not that you want to conceal the flaw but you do not want it to be exploited.

Q: Yes, I mean, there are nasty people out there who want to do things.

MALLOY: Exactly. So that was a sea change. But a lot of these things have to do with an evolution in the way inspector generals are used in Washington. Also, there is a strong push for more transparency and accountability to the U.S. taxpayers.

Q: Well I know when they created the inspector general's act, this was in the '80s, I guess, the original concept, at least as seen by the Foreign Service was, this was- these were adversarial visits; they're out to get you.

MALLOY: Yes. There was that tradition, or reputation. Since the day I walked into the office, though, the OIG front office has been drilling into the inspectors that we are not conducting "gotcha" exercises. We are out there to evaluate programs. If somebody is misbehaving, yes, we have to deal with it. But we try very, very hard to put deficiencies in context. When I inspected Pakistan, for example, virtually every single rule or regulation or foreign affairs manual stipulation related to security could not be met by the nature of the beast. But for me to write a report simply listing all the deficiencies would be pointless and be demoralizing for the hard working folks laboring there in dangerous conditions. So we wrote a report that talked about the context. What we were looking at was whether post management was doing everything they could possibly do in the situation that they found themselves with the resources they were being given. If not , why not? Were there roadblocks we could help them break?

Same thing when I inspected Moscow. There were many, many constrictions on activities there, the operating environment. So we pitched the report to discuss the major challenges facing that mission. Here was what they were doing, here was where they need help. That is not a gotcha exercise. A lot of the gotcha stuff, if you need to do it you do it in counseling. I have to have an area for improvement when I write an inspector's evaluation report on an Ambassador and on the DCM. I try to be fair about it. I will probably pick one area for improvement and just counsel them verbally on the others. That can be delicate. I always, it is my personal preference, share my draft inspector's evaluation reports with my team to get a sense of whether I am covering the right topics, whether I being too tough, am I being too liberal. We have a back and forth discussion on this before I actually put those to bed. But the bottom line is that the modern IG at the State Department is not a gotcha exercise.

Q: How'd you find Moscow? You know, they've been going through- I mean, was this a- I've got many examples of people who have talked about the old Moscow and Kremlinology and KGB harassing them and all; what was your impression of the Moscow today?

MALLOY: Well you know for me it was like going home, having started there, my first trip in 1971. So there I was back in 2006 and it was a real treat to get to spend a month in Moscow. What struck me was the affluence of Moscow, the incredible money. I saw brides having their pictures taken with their bridal group, driving around town in stretch Hummers. It was the first time I ever saw a stretch Hummer. And restaurants-

Q: Hummers being a-

MALLOY: A vehicle.

Q: Am American vehicle.

MALLOY: Based on military-

Q: But much longer and fancier.

MALLOY: Yes. Basically it is like driving a tank around and this one was stretched out to make a limousine based on a Hummer. And the fact that what used to take less than a five minute drive from the hotel we were staying at to the chancery in 2006 could take up to an hour in city traffic. The clog of cars on the streets, an amazing number; again, affluent Russian people able to afford cars. So that was one big eye opener.

The other eye opener was how large the embassy had grown. Staff members were housed- it was almost a two hour drive each way to get to the housing compound for employees and that was a huge strain on morale. So that was a problem where before we were all centered right downtown and we were a very cohesive group. By 2006 that cohesion had been shattered by the sheer numbers of people and the distance between

their housing and the embassy compound. We saw that official harassment was starting to come back in 2006. I hear it is getting worse as the organs, as they call them, the police, intelligence groups, were reasserting control over society in general and the diplomatic corps in particular. So that was starting to be a problem.

What also worried me was that Moscow seemed to be viewed during the time of- Secretary Rice's time, as one of the posts that was grossly overstaffed. It was targeted for cuts as part of the Secretary's transformational diplomacy. They had a great Ambassador, Bill Burns was then Ambassador in Moscow, who had voluntarily done a right sizing and had voluntarily identified a list of positions to eliminate. Unfortunately just after he had done that, the Department took all those positions identified by the embassy and then went back for more under diplomatic readiness. So what it lost was all its mid-level positions. When we arrived we found in the political section, in the econ section, a large cadre of entry level untenured officers with only one or two people managing them up above. Because of the restrictions on language studies for an untenured officer they could not get enough Russian to actually do their jobs. The more junior officers were afraid to answer the telephone. The phone would ring in the econ section and people would duck down at their desks, hoping someone else would answer the phone because it is very difficult to take a Russian language phone call cold. At least when you are face to face there are physical, visible signs that give you a clue what the person is talking about but when they are rapid fire burbling at you in Russian on the phone it is very disconcerting.

The untenured officers who had only limited Russian language training could not conduct demarches, they could not do the reporting. And there was no one to give them mentoring, the trade craft training. So the poor heads of sections were just overwhelmed with simultaneously trying to do all the work themselves and take care of these people.

And then, because it was a more open place a lot of the perks of Moscow service that gave it its character and its charm were going away. While I was there they had to let go the far dacha, which had been part of the lure. In the bad old days it was the only recreation area available for the staff. The long-term lease expired and the post was being asked an exorbitant amount of money to re-lease it, plus it was hard to justify to the appropriators why, in today's Moscow, one needed to have a dacha. So, sadly, the decision was made to let it go.

So these are all changes, some better, some not so good.

Q: How about the Foreign Service nationals? You know, we've gone through all sorts of manipulation with them, spies, do without and all; what was- how stood-?

MALLOY: Well they of course were employees during my time of what we called UPDK, which was, in Russian it was basically the diplomatic service agency. They were not U.S. Government employees, they were contract employees. Their loyalty, of course, was to their own government and yes, you would have to assume that willingly or unwillingly they were all reporting on embassy officers. More and more I think the same

is true now. They are, in theory, employees of the embassy but there is a very, very strict separation.

Q: Did you feel that there was almost a slow reversion to the old state?

MALLOY: Well I could see it. You talk about people seeing the forest for the trees. You know, if I stood there and looked at the forest I could see the structure was still there. But that was because I had spent virtually my entire adult life dealing with it. People coming in from another environment might not have seen the same things that I would see. But during the time of Putin yes, it was slowly going back. I noticed it all through the time I was at DOE; I think I mentioned before how I was struck by the reticence of our Russian counterparts to be as open with us as we were being with them. They were holding back because they knew the pendulum would swing. So it is swinging. Whether it will swing as far as it did during the Cold War, I do not know.

Q: Yes. Well when you think about it, the Russian people have never really known a really working democracy.

MALLOY: Nor are they comfortable with one. The uncertainty, the messiness, the personal responsibility, as I mentioned the transparency in the media, laying out all your weaknesses for the world, not something your average Russian particularly wants. They- If you ever look at any psychological analysis of a country, something which is fraught with peril -- how can you generalize to that extent, but they will speak of the Russians' need for swaddling, you know, that strong sense that somebody is in control. In Kyrgyzstan they used to call that delegated democracy, where they would delegate their power under a democracy to a strong figure to act for them.

Anyway, it has been a good ride; it has been a good ride. I have been everywhere. Inspected Argentina, Brazil, Chile, Peru, in Latin America and South America, Panama, Costa Rica, Salvador in Central America, been in Asia, the Philippines, Singapore, Malaysia, Brunei, all over Canada.

Q: Tell me, because of your basic experience, what about Latin America? Was this a different breed of cat or not or did you find-?

MALLOY: For me, totally different, because I had never had any experience with there. I had been on some official trips to a couple places down there, to Mexico and the Dominican Republic but I had never been to South America. Internally the U.S. Government I- it just struck me that as a bureau Western Hemisphere Affairs was so insular that people tended to serve over and over and over again-

Q: Henry Kissinger developed the GLOP program, the global outlook program in the '70s in order- because he found it so insular he made the whole Foreign Service try to get people out of there.

MALLOY: Well it did not work. Some people were trying to change WHA's insular outlook. For example, when I inspected Chile Craig Kelly was ambassador. He was consciously trying to bring people in from other bureaus to get a broader outlook. With his time working for the Secretary, he was much more focused on global outlook than your average Foreign Service officer. But what that meant was the embassy had to wait and suffer through a few gaps while people got language training because somebody from another bureau did not automatically speak Spanish. He got tremendous pushback from WHA people asking why he was taking these gaps when there was of WHA people who already spoke Spanish. It was a very, very closed-

Q: Well do you suffer from that? You know, I mean, we all think you do but looking at it objectively, are American interests hurt by people who are familiar with the Latin American mind, you might say, and are very comfortable with it but don't know much about our European policy or Asian policy?

MALLOY: I think you do. There would be minor exceptions. For instance, the tradition would be for a WHA officer to go over and do a tour in Spain for the Spanish speakers or do a tour in Portugal for the Portuguese speakers but that would be the exception to the rule. I just found- I was just troubled by it- I found that the same problems kept occurring at all of these posts and nobody knew how to fix them. They just kept recycling people, whereas if you start mixing people up in different regional bureaus you have a much higher chance of encountering solutions to the problems. I am not saying that it is wrong to have regional expertise; actually it is what we desperately need, people who are absolutely fluent, understand the culture. But you need to have that leavened with a broad viewpoint of the world. You could end up with clientitis or personal biases.

I was in one post where the political counselor refused to allow any contact with the opposition political party. Would not invite them to any events, forbade the political assistant to meet with parliamentarians of this opposition party, would not allow anything at all because previously this party had conducted an armed insurgency. The opposition party had since given up violence, had gone through a reconciliation process, had now been admitted as a valid political party and indeed, had people elected to parliament. And yet the political counselor, because of his own experiences over the years, felt that these people were still evil and that the embassy should not deal with them.

Q: I would have that that would have- You know, when you go through the reconciliation process and all, that this would be a priority of-

MALLOY: I would have thought, yes.

Q: -you know, on our- you know, okay, you're in it; we've got to work with you in order to civilize you or whatever.

MALLOY: Well especially because the whole reconciliation process was supported by the U.S. Government. But there was a political appointee ambassador who did not really

speak the language of the country. He was a wonderful ambassador but had no way of knowing-

Q: What was going on.

MALLOY: -what was going on. And a brand new DCM who just came in from a European post, a Spanish speaking European post but- he was not in tune with this. And so we came across this and I had to counsel the DCM, counsel the Ambassador and leave a formal recommendation to fix this. Somebody reading our report, with a formal recommendation that the political section reach out and make contact with the opposition, would wonder why we were writing that because it is so basic. That was four years ago. That opposition party just took control of the government. We have to have contacts with the opposition otherwise we end up being isolated. But I attribute things like that to an inbred bias. Sometimes a regional expert has been there so long, and has personal biases that begin to affect the job. So that struck me about WHA and I know many Assistant Secretaries have tried to change that but it is very, very strong culture.

Q: In my time in the Foreign Service I would meet people who had gone into, in those days ARA, American Republic, and they'd disappear. I mean, it's like a black hole. I mean, I had- I really didn't talk to people from there, I mean I just- you know, I knew people who'd served in Africa and Asia and the Balkans and Europe and all but the ARA people were sort of, just another breed of cat. They were just- just because- and I avoided it. I mean, you know, I didn't want to get assigned there because you felt you'd never get out and frankly, in the Foreign Service, that wasn't where the great game was being played, particularly.

MALLOY: Yes but it's a bureau that- the other side of the coin is it takes care of its people. And so a lot of people are attracted to that because they stand a better chance of getting the jobs they want because they have been a part of this club.

Q: Sure.

MALLOY: But yes, that disturbed me a bit.

The Asia Pacific Bureau is an interesting animal because it is so strongly divided by its language. You have a China club, you have a Japan club, you have a much more informal group of people who have worked in Indonesia. And then the English speaking, the islands, Australia, Singapore, I include with the English speaking because the reality is everybody speaks English there, the Philippines. At least in WHA you have access to all of the posts if you are a Spanish speaker or Portuguese for Brazil. But even if you were a long-term and faithful servant of the East Asia Pacific Bureau you are still very compartmentalized as to where you can aspire to serve. But on the other hand it takes great care of its people, a really well run bureau and people are generally very happy to be there.

European bureau I just- I do not know what happened but in the last few years EUR started to fall apart. The last couple of inspections that I did there we even never received briefing material from the European bureau-

Q: It used to be "the" preeminent bureau. I mean, everything worked.

MALLOY: I do not know, maybe it is still working but they just did not want to work with us but we could not get briefings from them. The way it works is that the front office of the Inspector General meets with Assistant Secretaries, they do a round of consultations to key in on where the bureaus feel they need help from the OIG. We also have our own ideas about where we should put our limited resources but we take guidance from the bureaus into account as well. I know that we had been directed to a couple of European posts at the request of the Assistant Secretary so when I tried to organize my survey briefings and asked what were the issues that were giving rise to EUR's concerns, they wouldn't tell me. So I was in the dark. I did not know why EUR had wanted OIG to go to this post? What is the problem? It was just very bizarre period and I do not know if they were just overworked or that their focus was totally on other issues. For the last couple of years of the Bush Administration it was very, very difficult dealing with the European bureau, which I was very surprising to me.

NEA, aside from Amman did not deal with them. I am trying to think; no, that was the only NEA post I have inspected.

Q: Africa?

MALLOY: I've never been to Africa. I would very much like to go but I've never been there. I have had no dealings with them. And SCA, of course I did Pakistan but that was the only one so far. So the bulk of my work has been in WHA and EAP and EUR for the OIG.

Q: And you're continuing?

MALLOY: Yes.

Q: Alright, well, I think we'll end at this point here. This has been a long journey.

MALLOY: It has and the journey goes on.

Q: Yes. Well, you can always add, as you add second careers and third careers.

MALLOY: Okay. Thank you.

End of interview