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

RICHARD OGDEN

Interviewed by: Charles Stuart Kennedy
Initial interview date: June 16, 1999

TABLE OF CONTENTS

Treasury Department - Office of Trade Policy UN Conference on Trade and Development	1971-1972
Howard University Kennedy School of Government Economic training	1972-1973
Buenos Aires, Argentina - Treasury Attaché Juan Peron Elections Economy Unions Social tensions U.S. relations Security Isabel Peron Military coup (1976)	1973-1976
Food Aid Division - Office of Food Policy PL480 programs Policy Food recipients Political interests AID involvement	1976-1978
Industrial and Strategic Materials – Chief, Office of Commodity Policy Integrated Program for Commodities [IPC] Natural Rubber Agreement International Producer Consumer Forum Congressional interest	1978-1980
National War College	1980-1981
State Department - Bureau of Political-Military Affairs – Office of Security Assistance - Director Military sales Recipients Arab-Israel Africa Pakistan	1981-1983
Lima, Peru - Deputy Chief of Mission Security Politics U.S. relations AID	1983-1985

Civil air
U.S. interests
Drugs
Human rights
Economy
Sendero
El Nino
Belaunde
Shining Path

London, England - Economic Counselor 1985-1989
Thatcherism
Labor Party
Economy
Trade
European Union
Agriculture
President Reagan
Government
Media
Environment

State Department - Canadian Affairs - Director 1989-1992
Meech Lake Accord
U.S. relations
NORAD
Canadian military
Quebec issue
Brian Mulroney
NAFTA
Immigration
Border crossing
Civil Air Agreement
Environment

Madrid, Spain - Deputy Chief of Mission 1992-1995
Spanish interests
Arab nations
NATO
U.S. presence
Relations
Cuba

Retirement 1995

INTERVIEW

Q: Dick, let's start at the beginning. When and where were you born, and can you tell me something about your family?

OGDEN: I was born in Norwalk, Connecticut, in 1939, and I grew up in New Canaan, Connecticut.

Q: Did you come in before the hurricane?

OGDEN: No, the hurricane was the year before, I guess! My father's name was Robert Ogden, and my mother's maiden name was Edith Mitton. Both were originally from Boston. Our family background is English.

Q: What business was your father in?

OGDEN: My father worked for the *New Yorker* magazine. At the end of his career, he was the advertising manager of the *New Yorker*.

Q: Were you an only child, or were there other children?

OGDEN: I have an older brother, Bob Ogden, who is about five years older than I am. He is a lawyer who lived and worked in London for about 10 years. He now lives in Riverside, Connecticut. I also have a younger sister, Linda Ogden, who lives in Darien, Connecticut.

Q: What was family life like in your family that you recall in your early years?

OGDEN: We were an active and competitive family and we all liked sports. My father played football at Harvard and was a fanatic Harvard supporter. I have wonderful memories of skating and playing hockey on the ponds around New Canaan where I grew up. In the summer, I played tennis at the New Canaan Country Club and became a lifelong tennis player and enthusiast. My parents were very social and used to entertain often. I guess you could say growing up in a small town like New Canaan in the fifties was pretty ideal. We didn't have to worry much about problems like drugs and violence.

Q: How about discussions around the dinner table?

OGDEN: We used to talk primarily about sports and politics and family activities. My father was a Republican loyalist and liked Eisenhower a lot. My mother was an Independent, although I think she usually voted Republican in those days. My mother also had wide ranging interests in music and the arts.

Q: Did the ambience of the New Yorker *get to you? The writers, I mean this was the preeminent magazine of what you might call the intellectual class in the United States.*

OGDEN: My father knew a good many of the writers, and from time to time he would tell stories about them. But he was more involved in the advertising and business side of the magazine. He used to talk a lot about Raoul Fleischmann and his son Peter. He showed me once where Dorothy Parker and the other famous writers used to meet at the Algonquin hotel.

Q: Where did you go to elementary school?
OGDEN: I went to a private school called New Canaan Country School, which was only about 20 minutes from where we lived in New Canaan. The bus used to come around in the morning and pick me up. I remember those trips because I had allergies and sometimes the entire bus would count along as I sneezed.

Q: Do you recall anything about what you were doing at the elementary school? (We'll get to the high school in a minute.)

OGDEN: I was always very active in sports. I played football, hockey, and baseball. I remember being very interested in girls. My favorite courses were English and Social Studies. Mr. and Mrs. Burns were two wonderful teachers who got me interested in the United Nations and world events. Other fine teachers I remember from those days were Mr. Bean and Mrs. Morris. I still have a lot of good friends from elementary school, although I don't see much of them now. I have great memories of New Canaan Country School.

Q: What about reading?

OGDEN: I used to read a lot in those days and still do. Two of my favorites were *Captain's Courageous* by Rudyard Kipling and *Call of the Wild* by Jack London. I still like to read especially adventure and sea stories.

Q: Where did you go for secondary school?

OGDEN: After New Canaan Country School, I went to Deerfield Academy. I was there for three years from 1954-1957.

Q: Who was the head master?

OGDEN: The headmaster's name was Dr. Frank Boyden. He was quite a famous educator, who tried to know personally each student. He used to drive around the campus in his horse and buggy greeting all the boys.

Q: Can you tell me about life at Deerfield? This is quite a famous school, and I'd like to get your impression of it at the time that you were there.

OGDEN: This was a pretty conservative place run like an English preparatory school. They kept the boys busy with classes in the morning, sports in the afternoon, and studies

at night. The only free time we had was the Saturday night movie and Sundays. Also, it was darn cold. I remember freezing in the morning when I had to walk to breakfast. Still, we all had a pretty good time. There was a lot of rapport between the students and teachers and amongst the boys. Girls were only admitted to Deerfield a few years ago so we were pretty isolated.

Q: You were sort of "I went to camp for four years. We were run by monks."

OGDEN: You are right.

Q: What about academic subjects?

OGDEN: I remember being particularly interested in English. We read a lot of English authors like the Bronte sisters, George Eliot and Jane Austen The school had a very strong vocabulary building program; every week you had to learn 100 new words. Our Latin classes were interesting. Peter Holbrooke used to get the teacher so mad he would throw erasers at us. History courses were great. I did pretty well in math but physics I never did understand.

Q: Did international affairs intrude into your work?
OGDEN: I would say only moderately because we were rather isolated. However, I do remember that the 1956 Suez canal crisis made a big impression on me. When Nasser nationalized the canal and Israel, Britain and France later invaded Egypt, we followed events closely on the radio. I couldn't believe that the United States and its allies had such different approaches to the problem. That was the first time I recall being really fascinated by an international event.

Q: Were you being pointed towards particular schools?

OGDEN: Well, from Deerfield I would say we were being pointed towards Ivy league schools like Harvard, Yale or Princeton. But I had something a little different in mind. I was tired of the cold weather and wanted to try a new area of the country. Also, I wanted to play tennis all year around. So I decided to go to Stanford. Nowadays, lots of east coast students go to Stanford but at the time it was a little unusual.

Q: I was going to say, your father from Harvard and going through that thing. I mean, you knew where you were supposed to go.

OGDEN: My parents were a little surprised, but were good sports about the decision. Indeed, they ended up having a marvelous time coming out to California to visit me.

Q: Well, you were at Stanford from when to when?

OGDEN: I was at Stanford from 1957 to 1961. I graduated in 1961.

Q: What was your major there?

OGDEN: I started out in Political Science but switched to Economics in my junior year. I also took a lot of history courses there.
Q: Having come from the East Coast Establishment, did you find a difference in the attitude of the students and all at Stanford?

OGDEN: I did find a difference. I think Californians are more informal and laid back.

Q: And also being co-ed, too.

OGDEN: Thank god for that. I was getting tired of conducting my romances by mail.

Q: Did you find more of a focus on Asia than maybe you found back on the East Coast?

OGDEN: To some extent, I did. However, I don't recall a lot of Asians at Stanford at that time. During those years, I started to do quite a bit of traveling. After my freshman year, I took a trip around Europe with a friend. After my sophomore year, I went to Japan for the summer on an exchange program with Keio University. The trip was almost canceled because anti U.S. sentiment was quite high at the time. I have a vivid memory of that summer because it was so different living with a Japanese family and because we were able to debate with Japanese students and explain and defend U.S. policies.

Q: How did the system work when you were in Japan?

OGDEN: The Liberal Democrats had been in power for a long time. There was increasing resentment against the U.S.-Japan Security treaty. A lot of the protests were led by student radicals like the Zengakuren. This was the period when Press Secretary Jim Haggerty's car was overturned at the airport.

Q: Did you put on a headband and dance around?

OGDEN: Well, we did as a matter of fact.
Q: Against Haggerty?

OGDEN: No, primarily under the influence of too much sake. Actually, there wasn't any personal animosity toward us at all. Indeed, the Japanese were very polite hosts and even the Zengakuren students treated us well. We never felt in danger.

Q: What university were you at?

OGDEN: We were at Keio University in Tokyo. I lived with a Japanese family, and later all the students from Stanford and Keio went on a trip together. We stayed for awhile on the island of Ninoshima where we taught English to some of the kids who had been orphaned by the bombing of Hiroshima.

Q: How did you find living with a family?

OGDEN: I found it was good fun. The family couldn't have been more hospitable. The father worked at a steel scrap plant. We had some interesting moments because I didn't know how the Japanese baths operated. I got into the water to take a Western-style bath, which you don't do in Japan. You reach into the tank with a little bucket and slosh the water over yourself. So I ruined the family's bath water for the next three or four days. But I learned. We slept on tatami mats on the floor.

Q: Was there anything, the trip to Europe, the trip to Japan getting the bug to you?

OGDEN: The trips to Europe and Japan almost certainly got me interested in traveling and international affairs. I hadn't begun to think of the State Department yet, but I was now extremely interested in other countries and other cultures and international issues and problems.

Q: Why the switch from political science to economics?

OGDEN: I felt that economics would be a little more practical and useful to me in international affairs. Moreover, I wasn't very happy with the Political Science Department at Stanford. I took a couple of courses in which the content easily could have been covered in one lecture. At the same time, I continued taking history courses which I thought were excellent. I especially loved American and European history and American Diplomatic History.

Q: Particularly when you got to your junior and senior years, were you planning to do anything?

OGDEN: I really didn't know what I wanted to do at that time. I was having too much fun in my fraternity, Phi Kappa Sigma, which was a great fraternity, a great bunch of guys. I played a lot of tennis then and was no 1 on the Stanford tennis team. That was very important to me. I even thought about playing on the tour for a few years.

Q: Well, when you started the senior year and part of the junior year, we are talking about the Kennedy-Nixon election time. Did that grab you up? A lot of young people were caught in that.

OGDEN: Absolutely. I'm very much a child of the Kennedy generation. I owe my interest in government and the State Department to Kennedy's enthusiasm and idealism. In those days, a Foreign Service career was all about service, commitment and working for a better world.. I vividly remember the Nixon-Kennedy debates which we watched on television in the fraternity living room. The impact was very strong. I was very happy when Kennedy was elected. My generation missed the cynicism which emerged from Vietnam and the other bad events of the mid-'60s.

Q: Those two damned little islands were engraved on our memory.

OGDEN: Unbelievable, wasn't it? Quemoy and Matsu.

Q: They kind of disappeared afterwards.

OGDEN: Let's hope we don't have to hear about them again in the future.

Q: In graduating in 1961, what were you up to?

OGDEN: Well, after graduating in 1961, I spent the summer studying French at the Middlebury language school. Then I went to graduate school at the Fletcher School of Law and Diplomacy. By that time, I was thinking very seriously about the State Department and knew my career path.

Q: Through the Stanford, Deerfield, Connecticut connections and all, the State Department and the Foreign Service would not have been something unknown. It was kind of around. Did you have anybody who knew anything about it that you were talking to?

OGDEN: A number of my friends from Stanford and Fletcher were headed to the State Department. And of course, the faculty and staff at Fletcher were closely connected to the Department. But I didn't know anyone personally at State who encouraged me to join. My family seemed enthusiastic about the choice because they knew I really was interested in the career. But they had no special links to the Department either.

Q: You didn't know anybody who had been in the Foreign Service and chatting it up and that sort of thing?

OGDEN: No, I really didn't. I got interested in the State Department on my own. I don't recall talking with any Foreign Service Officers. It was just something that I wanted to do.

Q: What was Fletcher like?

OGDEN: Fletcher was a very nice and strong professional school because, first of all, it was very small. We only had about 55 or 60 students, and we all lived in the same house, and the student body was very mixed. We had some Foreign Service Officers from Pakistan, some from Thailand, and some others from Japan. In addition to being together with a lot of very bright American graduate students, you also had a nice group of international students. The learning process was very much in class and then back in the dormitory. We were usually discussing and debating what was going on at that time in international affairs. It wasn't just a classroom experience; everybody was involved. Also, the faculty was good and accessible.

Q: How about classes?

OGDEN: Good quality classes. I took courses in international law, international politics,

economic development, international trade and monetary policy, American diplomacy and Asian affairs.

Q: Was the Foreign Service kind of where you were heading by this time?

OGDEN: Yes. I knew I wanted to join the Foreign Service.

Q: Were you taking the written exam at that time?

OGDEN: Yes. I took the written exam during my first year at Fletcher but missed by a few points.

Q: That would be 1961 or 1962?

OGDEN: That would be spring of 1962. That year I was accepted at the Harvard Business School but decided to take a two year Masters at Fletcher. I passed the written and oral exams in the spring of 1963.

Q: Before we move to the oral exam, you were there at the time of the Cuban Missile Crisis. Did that stir things up? Do you recall that? Particularly with the foreign diplomats there and all?

OGDEN: Yes, it stirred things up. We followed developments closely and several outside speakers came to discuss events. But personally, I don't have particularly vivid memories of the crisis because I wasn't focusing on Latin America then. Also, I don't recall any Latin students at Fletcher at the time.

Q: Well, two areas were particularly hot at the time: one was Africa with the de-colonization and this struck a certain chord with the Kennedy Era, and the other one was Southeast Asia. Did either of those interest you?

OGDEN: I was very involved in Asian affairs and especially interested in Japan. That probably was the result of my trip there. In fact, I had in mind becoming an Asian expert, although I never was very keen on learning a hard language like Japanese or Chinese. I was very interested in what was going on in Southeast Asia and was following events in Vietnam closely. I never got very involved in Africa.

Q: You say you passed both the written and then the oral exams. Do you recall the oral exam and any of the questions asked or anything about how it struck you at the time?
OGDEN: Well, the examiners started out with questions on world geography. They asked me to locate Lake Baikal, which was tough, and then Lake Lagunita, which wasn't so tough because it was on the Stanford campus and only about 50 yards from my fraternity. It was reassuring to know that one of the examiners was a Stanford grad and a potential supporter. The examiners asked quite a few questions on American history. They also asked a lot of economic questions covering international trade, terms of trade, the balance of payments and monetary policy.

Q: Were you married at this time or not?

OGDEN: No, not yet.

Q: When did you graduate from Fletcher?

OGDEN: I graduated from the Fletcher School in the spring of 1963. That summer, I led a group to France with the Experiment in International Living. We had home stays in Mulhouse and then bicycled through Provence mostly camping out. When I returned in the fall, I went to work for Senator Peter Dominick –a conservative Republican from Colorado. I had a lot of fun arguing and debating with his conservative staff. President Kennedy was shot that fall which, of course, was an event that nobody forgets. That's what I did leading up to the Foreign Service. I entered in the class of January 1964.

Q: Now, working on the Hill, did this give you a perspective that you drew on in later years, or were you there long enough?

OGDEN: Yes, I think so. It gave me good insight into the political pressures that a Senator or Congressman can receive from constituents, the kind of mail that they get, and the different problems that they must address. I personally worked on mail and wrote speeches. I remember the Senator loved one of the speeches I wrote, much to the irritation of his staff who didn't feel that a newcomer deserved such praise. I also was allowed to accompany him to various committee meetings which was useful. This was a great experience for me before entering the Foreign Service.

Q: Often too the pressure of constituent services and all, you can understand that politicians have masters, too.

OGDEN: Absolutely. There are a lot of different pressures on them from a lot of different sources. All of these affect their positions on the issues. They have to consider the views of individuals, corporations, other politicians, states, foreigners etc.

Q: You came in January 1964.

OGDEN: Right.

Q: Can you talk a little about the class you came in with?

OGDEN: Well, it was an excellent class. Several went on to become Ambassadors and well known personalities in the Foreign Service. I think our class size was about 25 and most of us were between the ages of 23 and 27. We had 3 or 4 women. Quite a number of us had Masters degrees in different subjects. I recall the class as being rather diverse regionally and as to background. We had a couple of engineers and a couple of philosophers.

Q: Was there any feeling that if it worked, it would be a life career?

OGDEN: At the time, almost everyone in the class considered the Foreign Service a lifetime career including myself. And for the most part, that expectation was realized. A few left the Service early because they were dissatisfied or involuntarily retired. But most stayed on for an entire career.

Q: Did you have any feel about what you wanted to do while you were there?

OGDEN: I was very interested in economics and wanted to do economic work. While in the preparatory A-100 course, I volunteered for Vietnam because of my interest in Asia and because that is where I felt I could make the greatest contribution. I'm probably the only Foreign Service Officer in history who volunteered for Vietnam and wasn't sent there. In retrospect, just as well!

Q: I was in Personnel, and I ended up in Vietnam. I kind of looked back and said, "What the hell is wrong with me?"

OGDEN: I did end up in Thailand, though, which satisfied my Asia interest and was close to Vietnam.

Q: You were in Thailand from when to when?

OGDEN: I was in Thailand from 1964 to 1966, just two years. That was for junior officer training. I spent one year at our Consulate in Chiang Mai and then a second year in the Economic Section of the Embassy in Bangkok. Lyndon Johnson was President at that time. Thailand was important because of our growing involvement in Vietnam.

Q: What was Chiang Mai like? What was it doing, and how did it operate? This would be in 1964 and 1965.

OGDEN: In those days, there were only three Consulates in Chiang Mai- the British, Burmese and American. We helped to look after a pretty good sized American community in northern Thailand. Then we also did some political reporting on events in the area. We were interested in following the activities of several KMT (Kuomintang) units which still operated in northern Thailand. We were extremely interested in the opium trade in northern Thailand, including growing areas and shipments across the border from Burma and Laos. We tried to follow the hill tribe activities, and tensions between them and the Chinese and the Thais. Of course, we also were interested in information coming from southern China.

Q: Was the CIA an important element there?

OGDEN: The CIA was there. Indeed, one of my first memories after arriving at the Consulate was getting into a jeep and taking a long drive around the area. It turns out that the jeep belonged to the CIA, and the owners were highly irritated at having it disappear

for most of a day with no explanation. As I recall, the CIA worked closely with the hill tribes seeking to gain their support for our efforts in Vietnam. The CIA also was active in efforts to obtain information from China through interviewing refugees and defectors and all that.

Q: Was Burma of any particular interest? As I recall, Chiang Mai is close to Burma.

OGDEN: It is close to Burma. As I recall, relations between Burma and Thailand were pretty tense at the time. We did what we could to promote stability along the border. The Burmese Consul, incidentally, was a great charmer. He really captivated my mother when my parents visited on one occasion.

Q: What was your impression of the Thais?

OGDEN: The Thais are absolutely delightful, charming, fun, gracious, lively, pleasant people and very friendly to the U.S. I had a great time in Chiang Mai. There was always a social event in the evening, northern Thai cuisine is excellent, and the northern Thai women were very attractive.

Q: Sometimes when you are a young officer and you haven't been around the block as much, it is easier to get upset about inefficiency or corruption or something like that. What was your impression of Thai rule from the Chiang Mai perspective?

OGDEN: I am sure there was a lot of corruption in the government and in business circles. We were always concerned about that at the Consulate and Embassy. Still, I don't recall and specific scandals or cases of corruption.

Q: What were you doing?

OGDEN: I was in charge of services for Americans and economic and commercial reporting. I also helped out with political reporting whenever possible.

Q: What kind of Americans were up there?

OGDEN: We had a good sized Peace Corps contingent. We had a medical group that was assisting the local university with different programs. And there was an Air Force contingent stationed just outside of Chiang Mai. The air force group was monitoring southern China for any nuclear explosions. Then there were reps of USIS, CIA and other U.S. government agencies. And there were a number of religious groups. Finally, we had a few anthropologists doing research.

Q: Who was consul there?

OGDEN: Stephen Dobrenchuk was the consul when I first arrived, Steve and Ann Dobrenchuk. I don't know what's happened to them. I've lost track.

Q: He's in California somewhere. How did your first taste of Foreign Service life suit you?

OGDEN: Initially, I was a little disappointed to tell the truth. At graduate school, the intellectual level was pretty challenging. In Chiang Mai, the work was often people oriented and social. It was hard to write a brilliant economic report on the future of northern Thai rice production. Washington just wasn't interested. On the other hand, a lot of Foreign Service work is people oriented so I guess it was good to have the experience early. Also, in retrospect I think it was useful to start out in a very small Consulate where a young officer like myself could have more freedom.

Q: When you came down to Bangkok it would have been 1965 or 1966?

OGDEN: I got to Bangkok in the summer of 1965 and began working in the Economic Section. That was an interesting period in Thailand. Graham Martin was the ambassador. Our involvement in the Vietnam war had grown significantly. A key embassy focus was to obtain maximum Thai cooperation for our programs in Vietnam. This meant a lot of focus on political-military work. We were constructing major bases in Thailand and this put a strain on limited Thai resources like lumber and cement. In the economic section, we wanted to ensure that actions taken for security purposes didn't destabilize the Thai economy. For example, we had to watch that base construction didn't drive up prices in other sectors of the Thai economy.

Q: How does one when building bases, you've got to use all this equipment, you are hiring a lot of people, and how do you go in and do a massive program like this and your fellow officers up and down the line trying not to destabilize?

OGDEN: As one example, at the time we were selling a good deal of rubber and tin from the U.S. stockpile. I recall several embassy cables arguing against excessive stockpile releases which could adversely affect Thai foreign exchange receipts and thus destabilize the economy. Rice would be another example. While supporting U.S. rice exports, we didn't want to drive down the world price to a point where Thai exports and foreign exchange receipts would be hurt.

Q: Did you find yourself discovering about the rice lobby in Louisiana?

OGDEN: Yes.

Q: Senator Ellender from Louisiana was one and there were others.

OGDEN: I remember a lot of visitors from rice producing states in the United States coming to Bangkok to meet with embassy officials about rice problems.

Q: How did it feel coming from Chiang Mai to the big city, to Bangkok?

OGDEN: It was a good change. I enjoyed being able to use more of the academic work

that I had done. In the economic section, I did a good bit of macroeconomic reporting. I handled civil aviation issues. I also served as the economic section's liaison with the AID mission. I sat in on their meetings and followed AID programs and policies. That was interesting to me. I had a good first tour in Bangkok in the economic section.

Q: Who was the head of the economic section?

OGDEN: Bob Fluker was the Counselor and Konrad Becker was the deputy.

Q: I would have thought that the economic side would have been very important because that has to work and you don't want to upset the apple cart. You were obviously pretty far down the line in a big embassy but did you get any feel for the hand of Graham Martin. He was a legend in the Foreign Service.

OGDEN: I was always impressed with Graham Martin. I remember thinking that he was a very cool customer and a very tough customer. I did get to sit in on several meetings that he had. I remember that he used to have one-cigarette meetings or two-cigarette meetings, depending on the importance of the issue. He must have smoked a lot. I recall that a U.S. contractor won a bid for road construction and Martin asked me to analyze the project. He liked my work so he must have been a good economist.

Q: What was the feeling you were getting about our increasing involvement in Vietnam. By this time we had just begun to put troops in.

OGDEN: As I recall, most people at the embassy were still pretty positive about developments. Things were going pretty well then and the Thais were supportive. I recall how closely we all followed events. At parties, fresh news often would be discussed every hour.

Q: Was there a concern about the Communists in Thailand while you were there?

OGDEN: I think there was concern about possible North Vietnamese efforts to utilize communist elements to destabilize things. Of course, the CIA was very much interested in this. In our work in the economic section, we obviously were focusing on other things.

Q: How was traffic then?

OGDEN: Traffic in Bangkok at the time was extremely bad, and by now I understand it is about fifteen times worse. You could hardly get around even then in 1964-1966. I don't know how people manage now.

Q: How was the social life?

OGDEN: The social life was very active. The embassy did a lot of entertaining, and I remember several occasions when the ambassador invited me to a function. The DCM was Jim Wilson and he also was helpful. He had a farewell dinner for me as a junior

officer, which impressed me because Bangkok was a pretty big mission. Communicating with the Thais wasn't easy because I hadn't had Thai language training before I went to Thailand. I studied some Thai in Chiang Mai and ended up with a 2-0 on the language exam.

Q: Were we at all concerned about Laos from the economic point of view? Was there any spill over there?

OGDEN: I think the major effort was on road construction between Bangkok and Vientiane We helped to build a beautiful highway through the northeast of Thailand to Laos which could have been used by the military if necessary. I remember attending the dedication ceremony and later traveling to Vientiane on the highway.

Q: Did you have any dealings with the American military?

OGDEN: Not directly, but everyone at the embassy was involved in one way or another. We had some contact with JUSMAG and I visited a few of the bases.

Q: In 1966, you left.

OGDEN: Yes, I left in summer of 1966. I flew home stopping off in Tehran and Europe. Then I took Spanish language training and went to Colombia that fall.

Q: Was this a career choice or an assignment? How did this work out?
OGDEN: It was a career choice in the sense that I had expressed interest in getting a second language and maybe having a tour in South America. I hadn't specifically asked for Colombia.

Q: When you talked to your colleagues in Thailand, I would imagine that Latin America would be sort of the other side of the moon as far as people were concerned with it. The ARA at that time was almost like there were two different services or something.

OGDEN: It was totally different. You are right. The focus and issues were completely different in Colombia.

Q: We'll pick this up the next time when you are taking Spanish and you are going to Colombia. We haven't talked about how you got yourself indoctrinated before you went out into the world of the American Republics, the ARA. We'll talk a bit about that.

***

Today is the 23rd of September 1999, Dick. You had been, as I recall, in East Asia. East Asia had been your thing, hadn't it?

OGDEN: Yes, at Fletcher I had studied East Asian affairs, so ARA was really a new area for me and a new experience.

Q: What were you getting as you were talking to people about ARA and all that?

OGDEN: I think there was concern about Castro and the possibility of leftist revolutions in other countries. This also was a period of great hope in Latin America. The United States was giving the region a lot of priority. Alliance for Progress programs were beginning to have some impact. There was real hope that sustained development would raise living standards and promote stability and democracy.

Q: Now, you were in Colombia from when to when?

OGDEN: I was in Colombia from the summer of 1966 to the summer of 1969, just about three years.

Q: What was your job?

OGDEN: I started out in the Consulate for six months. Then, because of my economic background, I was moved from the Consulate to the Economic Section. In the Economic Section, I worked very closely with the AID mission on some of the big Alliance lending programs.

Q: What was the political-economic situation in Colombia when you got there in 1966?

OGDEN: The political situation was reasonably good. Colombia at the time had implemented the National Front system under which the two main political parties alternated in power every four years. This seemed to work pretty well. I got there just as the four year period for the Liberals was starting. Carlos Lleras Restrepo was the president at that time. We worked very closely with that government and provided a lot of assistance.

Q: Obviously, this hadn't been your place until you got there to really understand much about it. What were you getting from the embassy about the difference between the Liberals and the Conservatives? Were they the Reds and the Blues, or something like that?

OGDEN: I think the Liberal-Conservative split in Colombia was similar to other Latin American countries. The Conservatives generally favored centralized government and were pretty closely linked to the church and armed forces. The Liberals believed in more decentralized government and were more active in social and economic reforms. But in Colombia, the split got out of control and erupted in terrible violence. Fortunately, the National Front system of alternating Liberal and Conservative governments helped to reduce the violence.

Q: What were you picking up about the attitude of the Colombians at different levels towards the United States?

OGDEN: Colombia was an active participant in the Alliance for Progress and official relations were very good. And the general attitude toward the United States was pretty positive. There wasn't the kind of underlying anti-Americanism found in some Latin American countries. On the other hand, many younger Colombians were certainly attracted by leftist thinking and intrigued by the idea of guerilla activity. Che Guevara was pretty popular. And some more radical elements of the church were beginning to talk about the need for armed struggle to promote reform.

Q: What about the universities? In so many countries and particularly Latin America, the university students all go Left until they graduate and then they go Right.

OGDEN: The University students were a problem for Carlos Lleras Restrepo. I remember that on one occasion, the situation got so bad the President had to surround the University with tanks. On the other hand, I wouldn't say the uproar was directed against the United States. I think the students were more upset with the general level of poverty in Colombia and the slow pace of reform.

Q: I think a couple of years before, I guess, that the United States had intervened in the Dominican Republic. Were there any repercussions about Yankee aggression?
OGDEN: I don't remember the climate as being anti-American at all. For example, I traveled around the country a good deal and never had any problem. I never had a security guard or escort or anything, and I took a lot of very interesting trips even to remote areas. I think the guerrillas controlled a few small areas but that was about it. In those days, the problems of drugs, terrorism and guerrilla insurgencies were pretty minor.

Q: Who was the ambassador when you arrived?

OGDEN: The ambassador was Ray Carlson. He was an economist who had a pretty rough start. Shortly after he arrived, he was interviewed and expressed the opinion that Colombia should devalue the peso. That comment almost started a revolution. There were calls for his immediate return to the United States. Ambassador Carlson was a very nice man who did a good job and was well liked in Colombia but he had to overcome a tough beginning. Of course, what he advocated was no doubt sensible, just not politically acceptable at the time.

Q: What type of first consular work were you doing?

OGDEN: I was doing non-immigrant visas. I did that for about six months. It was probably a good way to start in Colombia because it gave me a good chance to practice my Spanish. I'm afraid I tortured the non-immigrant visa applicants with a lot of questions because I really wanted the conversation. My worst memory during that period was of a bad plane crash in Bogota. I had to go to the airport and identify bodies and help with services. It was very sad.

Q: What happened?

OGDEN: As I recall, the pilot landed the plane about 300 yards short of the actual runway. The plane flipped over and burned and about 75 percent of the passengers were killed.

Q: Who were the non-immigrants who traveled from Colombia?

OGDEN: There were a lot of people who said they wanted to go to the United States to visit relatives. Sometimes it was hard to tell who was a legitimate non-immigrant. For example, I recall one time reading the Miami Herald and seeing that a guy had committed a serious crime. I had just given him a visa a few weeks earlier. Anyway, you just try to follow the regulations and make the best calls you can.

Q: Did many Colombians go to the United States as graduate students?

OGDEN: Yes, there were a lot.

Q: When you were doing economic work, who was the head of your section and what sort of work were you doing?

OGDEN: Jim Lobenstine was the head of the economic section and Marvin Weissman was head of the AID mission. I was quite active in supporting AID's sector lending program. For example, AID would make a loan for the agricultural sector- training, market roads, seeds, fertilizer- based on commitments by the Colombian government in monetary, fiscal and balance of payments policy. I monitored and reported on monetary and fiscal policy to see if the government was living up to its commitment. I also attended most of the negotiating sessions between AID and the Colombian government, writing up the results for the record. It was very interesting to observe the AID mission working out these loans with the Colombian Central Bank and Ministry of Finance This was a high priority for the mission as we were providing a lot of assistance.

Q: Now, what was your impression of your Colombian counterparts, the people were working on loans and that sort of thing?

OGDEN: I was extremely impressed. I thought they were highly intelligent and very well prepared. I think everyone at the AID mission felt the same way. Of course, we were dealing with senior officials from the Central Bank, Development Office and Economics Ministry so I'm not surprised. This was a very high quality team.

Q: What were you getting from both your own personal observations and others who were dealing with the delivery system? I mean, what we were investing or helping do? How was this impacting on the economy?

OGDEN: I thought the sector loan program worked pretty well. The idea was to take a sector like agriculture and to provide different kinds of assistance. Hopefully, this would overcome bottlenecks to growth and allow the sector to take off. At the same time, the macroeconomic commitments would ensure that general economic policy was helpful.

The problem, I think, was that the levels of assistance were never enough to really transform agriculture in any fundamental way. Moreover, the macroeconomic commitments were rather intrusive because the government was required to follow certain policies. I believe that the Conservative government which came to power after I left decided not to continue with the sector loans because they were too restrictive.

Q: Was the Colombian agricultural produce competitive or complementary to American ones?

OGDEN: Both, although generally more complementary than competitive. In addition to coffee, I think major Colombian crops included sugar and cotton. Colombia exports a lot of cut flowers to the United States. The sector loans were designed to encourage the production of new crops for local consumption as well as promoting exports. I don't recall much opposition to the sector loans in the U.S.
Q: Today, narcotics is certainly the principal export. How did that play then?

OGDEN: It's amazing but we really did not have a big drug problem in Colombia when I was there. We had street crime. We had student demonstrations and riots. We had some limited guerrilla activity. But no big narcotics problem. Anyway, perhaps if western assistance for agriculture could have been sustained at high levels over a long period the drug culture might not have flourished.

Q: Did you get any major presidential visits or anything like that?

OGDEN: No. We got a lot of senior visitors from AID and the Department though.

Q: As an economic officer, how were the statistics? You usually thrive on statistics.

OGDEN: We were able to get pretty much everything we wanted. The Central Bank made available to us the data that we needed from the various ministries The president himself made it clear to the government that it should provide us with all the necessary data. We were quite demanding, I must say, but the level of cooperation was very good.

Q: How about Cuba? Was anybody looking over their shoulder about arms?

OGDEN: Cuba was in the background. Che Guevara was in the background. This also was a period in which the church in Colombia was divided between a conservative leadership and an increasingly radical group of young priests. One of them, father Camillo Torres, joined the guerrillas while I was in Colombia.. Father Camillo was a big hero for a lot of Colombian youth and the fact that he joined the guerrillas had a big impact on them.

Q: What did we think were the motives of the guerillas?
OGDEN: I think the guerrillas were interested in land reform, social reform, and a fairer distribution of national income. Of course, they also were interested in gaining power. Some of them no doubt were Marxists with close ties to Cuba and a strong interest in

promoting revolution.

Q: In discussion within the embassy, was this a matter of concern?

OGDEN: It was a matter of concern. Our efforts were directed at land reform, too. I remember that we used to provide loans and assistance to an entity called the Caja Agraria, which gave peasant families financing to help them acquire their own land and homes. We also were trying to help the government redistribute the land.

Q: How about contacts with Colombians? Was there a problem of the wealthy people sort of gathering up the embassy as far as social occasions and that sort of thing?

OGDEN: I think the embassy did a pretty good job of getting in contact with various social groups although of course more could always be done. The AID mission dealt a lot with senior members of the government but that was necessary. The Political Section had active programs to expand contacts with universities and to identify young leaders who might be good candidates for grants to the U.S.

Q: When did you leave there?

OGDEN: I left there in the summer of 1969 and came back to Washington. Then, I began to work as the staff aide to the Assistant Secretary f or Economic Affairs Phil Trezise.

Q: What was his background, and how did he operate?

OGDEN: I believe that most of his career was spent in the Foreign Service. He negotiated the U.S.-Canada auto agreement. He had a strong background in European affairs and dealt a lot with the European Union. I thought he was very brilliant and a shrewd operator. Those were the days when the State Department, and the Economic Bureau in particular, had a strong voice in economic policy.

Q: What sort of work were you doing?

OGDEN: As staff aide, I would try to help him to function as efficiently as possible. In the morning, I would pick out the cables I thought he should read. I would review all memos and try to understand the issues and clear up ambiguities. I would try to keep him informed about Bureau developments. I also would transmit messages from Bureau reps to Trezise and from Trezise to the rest of the Bureau. It was a great job for an overview of U.S. foreign economic policy.

Q: I imagine that he was quite concentrated on economic affairs in Europe at that time.

OGDEN: This was a very interesting and rather tumultuous period in U.S. foreign economic policy. There were a lot of significant changes in the air. The Bureau was trying to cope with U.S. balance of payments problems which eventually led to the Smithsonian agreement of 1971. In Europe, there were many trade issues as the European

Community expanded to include Great Britain, Ireland and Denmark. Also, we continued to try to liberalize Europe's Common Agricultural Policy which virtually shut out U.S. agricultural exports. Relations with the developing world became increasingly intense. The developing countries were not happy with the results of the Kennedy round of trade negotiations and pressed for a system of generalized preferences which would benefit their exports. Also OPEC was beginning to flex its muscles. We spent considerable time dealing with OPEC and trying to develop an appropriate response by the consuming countries.
Q: Did you feel that you were sort of getting nailed willingly into the Economic Bureau at this point?

OGDEN: I was very happy to be assigned to the Economic Bureau at that time. I had a Masters in Economics and International Affairs and wanted an opportunity to use this training. Also, it was kind of an honor to be selected as staff aide. The Executive Director, Frances Wilson, was very supportive.

Q: In any discussion of the Economic Bureau, Frances Wilson has to come up because of her plain ability to understand how to nurture and promote staff.

OGDEN: She was a remarkable woman. She ran the administrative and personnel side of the Bureau with an iron hand. She had high standards and built the Bureau into one of the best in the Department of State.

Q: Did you ever get any insight into how she operated as far as how she picked and chose?

OGDEN: She was a very tough bureaucrat. If she wanted an officer, she was willing to fight hard for him. If she felt strongly about an issue, she also would fight hard. Nobody in the Department took on Frances Wilson without thinking twice. But she also was very supportive of officers in the Bureau.

Q: It is unfortunate that she died before I started getting into this because I would have loved to interview her. As you were working in this, did you see any particular area that interested you?

OGDEN: The Bureau was very strong at the time. Sid Weintraub was Deputy Assistant Secretary for Monetary Policy. Jim Akins was DAS for Energy Policy. Ed Cronk was DAS for Trade Policy. Jules Katz was DAS for Commodity Policy. As I recall, the energy area was especially active. Negotiations were going on between the OPEC countries and the seven sister oil companies. We were trying to promote consumer unity and taking steps which eventually led to the creation of the International Energy Agency (IEA). I found our work trying to promote agricultural exports in Europe very interesting. Under Europe's Common Agricultural Policy, the European Community set high domestic prices, charged a variable levy to keep out U.S. exports, and then used export subsidies to promote European exports. We opposed the system which promoted inefficient European production at a high cost and unfairly hurt U.S. and developing

country exports.

After this job, I joined the Office of Trade Policy in 1971. My main task was to prepare for U.S. participation in the 1972 United Nations Conference on Trade and Development held in Santiago, Chile.

Q: What was that?

OGDEN: The developing countries were never very satisfied with their role in the GATT and subsequent rounds of trade negotiations. In 1964, a new entity called the United Nations Conference on Trade and Development was created to try to deal with these concerns. The Conference included a general meeting every four years, a Secretariat in Geneva and a number of Boards covering specific issues. In addition to trade policy, the conference dealt with a range of developmental issues like financial flows, commodity policy and investment.

Q: Where did Treasury play at this particular time?

OGDEN: The developing countries were interested in a range of financial issues at the time such as debt relief, better aid terms, allocations of Special Drawing Rights and increasing aid flows. Treasury naturally played a lead role on all these issues.

Q: Did you feel that the Treasury was on a different track than State at that time?

OGDEN: We knew this was going to be a rough Conference for the United States. Developing country expectations were high, but there wasn't a great deal that the United States could offer. We already had major balance of payments problems and there was concern about OPEC and the possibility that too much power would pass to the developing world. Also, the Conference was going to be held in Chile and we knew that Allende would seek to send a powerful message. So we did the best we could, attempting to offer small measures which still would be useful. I don't recall a lot of difference between State and Treasury on the big financial issues.

Q: What was your impression of Chile and the Allende government in 1972?

OGDEN: Well, I recall that when we arrived there were big demonstrations against the United States and other developed countries. And I remember listening to an Allende speech that lasted the entire day. Fortunately, I missed about seven hours of the speech and only caught the beginning and the end. Our delegation headquarters was near the embassy but we were so busy with the conference that I don't remember a lot of contact with embassy staff.

Q: Was the rise of OPEC, the oil producing cartel, beginning to cause headaches at this time?

OGDEN: OPEC clearly was becoming a problem for us. In addition to higher oil prices,

OPEC's success was leading the LDCs to press hard for institutional reforms which would give them more power. Also, the OPEC experience was encouraging the LDCs to think about forming cartels in other commodities like bauxite, copper and tin.
Q: How did you feel about your economic training at this point? Were you starting to reach the outer boundaries of what you had been educated in?

OGDEN: Well, I had been out of graduate school about 10 years at this point so I was beginning to feel a little rusty. Also, there are a lot of different types of work to do in the Foreign Service so it is hard to stay fresh in any special area.

Q: I would think it would be, particularly in something that has I don't know what you'd call it but a technical-academic road is the base of knowledge that is both changing as the people are looking at and all that, like a science. You could feel kind of left behind if you weren't able to keep up with thoughts and changes and that sort of thing.

OGDEN: Yes, that is true. The field of Economics, for example, was changing rapidly to emphasize more mathematical computation at around that time.

Q: After your three years in that, are there any other points that we should cover?

OGDEN: I don't think so. The UNCTAD III meeting went about as well as could be expected. I came back to Washington and wrote up the results of the meeting. In the fall of 1972, I went to the Kennedy School of Government in Cambridge for a year of advanced economic training.

Q: Tell me, were you there in 1972 and 1973?

OGDEN: Yes, it was 1972-1973.

Q: What sort of things were you doing and what was the state of the campus?

OGDEN: The 1972 election was a big issue. Everyone at Harvard thought McGovern would win easily that year. When Nixon won in a landslide, there was a great deal of surprise. I don't remember Vietnam as being very controversial at that point. Maybe some of the bitterness had gone out of the debate. I remember a lot of student interest in domestic issues like urban planning and the state of the environment.

I took courses that year on development economics, international finance, trade policy and Latin America. The focus turned out to be very useful because my next assignment was to Argentina.

Q: The draft was basically over.

OGDEN: Yes, I think students were less worried about ending up in Vietnam. There was a feeling that the United States was really getting out of the war.

Q: Had economics been going through a major change?

OGDEN: I think the major change was the emphasis on mathematical economics. Also, there was a lot of interest in supply side solutions. I thought one of the most interesting courses I took was in development economics. We analyzed economies with different problems and proposed balance of payments, monetary and fiscal policies that would be helpful. It was like running our own mini IMF reform program. I also liked the course I took at the Harvard Business School on international finance. We analyzed the range of factors that a company must consider in making investment decisions in a foreign country.

Q: Well, you got out in 1972.

OGDEN: I actually finished the year at Harvard in June 1973. Then I stayed on that summer to review for my Ph.D. orals at Fletcher which I passed in early September. I got married to my wife, Laura Ricci, in Florence later that month. It was a pretty hectic period in my life.

Q: What was her background?

OGDEN: Laura is from Florence, Italy. I met her during the year I was at Harvard. She was studying Political Science at Brandeis University on a scholarship from the American Council of Learned Societies.

Q: You were on your way to Argentina in 1973.

OGDEN: After getting married, we took a brief honeymoon and then went directly to Buenos Aires.

Q: You were in Argentina from when to when?

OGDEN: I was there from 1973 to just after the military coup in 1976. This was the period when Juan Peron returned to Argentina and took power. The administration started out with a lot of popular enthusiasm but ended up tragically.

Q: What was your job?

OGDEN: I was the equivalent of the Treasury attaché. There wasn't any Treasury officer in Argentina so I did all the balance of payments reporting, financial reporting, liaison with the banks, national accounts reporting and monetary and fiscal policy. It was a very interesting tour as I was able to use my Harvard training well. Although the Peronist government suffered many economic and financial problems, the Argentine Central Bank and other financial institutions were quite open about sharing data and information.

Q: What was the political and economic situation when you arrived there in 1973?

OGDEN: After years of military rule, free elections in Argentina were held in March 1973. Peron's personal delegate, Hector Campora, became the president-elect. In June of that year, Peron himself triumphantly returned to Argentina. New elections were held in September, and Peron himself took power in mid October just after we arrived. Initially, there was a lot of popular enthusiasm about Peron's return. There was hope that Peron would be able to control leftist extremism and curb the growing civil unrest in Argentina. But the regime ran into trouble pretty quickly and things began to unravel.

Q: How did Argentina stand economically from your perspective when you arrived? What was happening while you were there, and were we doing anything about it?

OGDEN: Peron's economic policies were similar to those followed in his previous administrations. The State played a key role, generally seeking to promote industrialization at the expense of agriculture. There was an open and well publicized effort to shift income toward the workers and specifically toward the Confederacion General de Trabajo (CGT). The exchange rate was maintained at an overvalued level and a variety of import controls and export subsidies were used to try to maintain control of the external accounts.

These policies worked pretty well for about a year because Argentina's foreign exchange reserve position was quite strong and export prices held up well. But after that, things began to really fall apart. Wages increased much faster than prices, and the public deficit started to soar. Inflation took off and reached levels of over 200 percent. With an overvalued exchange rate, the balance of payments went into serious deficit and Argentina's foreign exchange reserves disappeared. There wasn't much foreign investment coming to Argentina and banks and other external creditors increasingly were reluctant to lend new money.
A number of economic ministers tried to deal with the situation but usually got sacked after a short time. The Peronist government lacked the political will to defy the unions by controlling wages. This was not too surprising since toward the end of the period, the unions were the last and strongest bastions of support for the government.

Q: You were new to Argentina. How did you see this? I mean, to somebody from the outside, it looks like Argentina has the potential of having a very literate, basically European government without a big Indian problem and lots of food. It should have a very good solid industrial base. It looks like everything would be going great.

OGDEN: You are right. Argentina has excellent natural resources and a well trained work force. It should have done very well economically. I think a central issue was the high level of social tension which usually split the country into left and right. Moderate, centrist economic policies often didn't have a chance in Argentina. Also, Argentina's isolated geographic location probably was a negative factor.

Q: Well, Argentina, from what I gather, unlike most of other South American countries, didn't look as much towards the United States as it did towards Europe. Was that true?

OGDEN: Yes, I think that was generally true. We had a good amount of investment in Argentina, but the trading relationship between Argentina and Europe was stronger than it was with the United States. Most of Argentina's meat and wheat exports went to Europe. We didn't take very much of either. But, Argentina did import a lot of capital equipment and machinery from the United States. There was a big U.S. business and banking presence, including automobile manufacturing. I would say our relationship with Argentina was close and normal. But there were no large AID programs like we had with Colombia.

Q: What about the banking business? This is one of your beats. Bankers, I assume they are quite astute and could see what was happening and could they doing anything about it?

OGDEN: Well, initially, I think U.S. banks were providing Argentina quite a bit of short term credit. But as the situation deteriorated, the banks became more reluctant to lend and of course set higher interest rates. Eventually, I recall that the government implemented a big liberalization program and a major devaluation but that led to more inflation.

Q: Who was our ambassador?

OGDEN: Our Ambassador at that time was Bob Hill. I liked him a lot and had a good personal relationship with him. I remember many fun tennis games at the residence court surrounded by security guards with armed shot guns. His wife, incidentally, was a nationally ranked U.S. player when she was younger.

Q: Obviously, Perón was never the darling of the United States. I remember Spiro Brandon who had been our ambassador was quite a controversial figure in Argentina back in the 1950s. How did we react to Perón's reappearance and how about our dealings with the government?

OGDEN: I think, in general, our relationship with the Peron government was quite good. There was no personal hostility to the Ambassador that I was aware of and we had plenty of access to senior officials. In light of the 1973 coup in Chile, and the allegations of our involvement, the normality of the relationship was perhaps surprising. I think the Argentine government felt it needed our economic and financial support.

While relations with the government were normal, the security situation was extremely bad. There were two major guerrilla groups operating in Argentina at the time, the Montoneros and the ERP. These groups focused their attacks on Argentine police and military targets, but several Americans had been killed as well. All the staff took basic security precautions such as varying our routes to the Embassy and trying to arrive at different times.

I remember we were expecting a visit from Secretary Kissinger in 1974 or 1975. The security situation was so bad that we evacuated families and non-essential staff to Uruguay fearing reprisals.

Q: How did it go?

OGDEN: He never came. Several trips that Kissinger planned to Latin America never materialized. There always seemed to be a higher priority.

Q: Were you picking up the impression that Latin America was not high on the Nixon-Kissinger list?

OGDEN: There were genuine emergencies which caused Kissinger to postpone these trips. Still, the message was that Latin America was a lesser priority for the U.S. at that time.

Q: What was the thinking about when Perón came back before he died? Was he better or worse or competent or what?

OGDEN: Certainly there was enormous enthusiasm and hope among Argentines when Peron returned. He only governed for about nine months before he died in July 1974. At the time, the situation was starting to slide downhill but was still manageable. After his death, no one was able to maintain control. Anyway, Peron already was about 78 years old when he passed away. I doubt even he could have kept Argentina together for much longer.
Q: Somebody I interviewed–I can't remember who–was talking about world leaders and was using Isabel Perón as probably the most incompetent leader he could think of.

OGDEN: Isabel Peron was not a natural political leader like Peron's first wife, Evita. I think she probably was named vice-president because any other choice would have been too controversial. When Peron died, Isabel tried to keep things together but it was no use. She quickly became tired and sick. Lopez Rega became the real power in the movement. But the infighting among the Peronists, and between the guerrillas and the armed forces got even worse. No one was in real control.

Q: When Perón died, was there a feeling on our part that what leadership there had been, was this going to get worse?

OGDEN: After Peron died, I think most people were pretty pessimistic about Argentina's immediate future. Of course, there was some hope that Isabel could keep things together. But the economic and security situation kept getting worse.

Q: Did the Cold War intrude at all?

OGDEN: I would say it did, indirectly. In Colombia, we were looking over our shoulders at the Cuban experience. In Argentina, a lot of people looked at Chile and wondered if Argentina would face a similar situation. Indeed, Argentina's fate was somewhat similar. There was a military coup in March 1976 followed by years of repression.

I remember when the coup took place. It was a very quiet coup. It seemed as though nothing had happened. There was very little violence, at least that I was aware of. Nobody was out on the street. Nobody quite knew what was going on.

Q: How long were you there with the new regime?
OGDEN: Only about three months, we left Argentina in July 1976. Certainly, there wasn't much rejoicing about having another military regime in Argentina. I would say the feeling was one of resignation and perhaps relief because the situation had gotten so bad. Certainly, no one could foresee how repressive the new military regime would be.

Q: What about when you were dealing with the banking and the commercial interests how about the role of major European banks and European governments vis-à-vis the Argentineans and the financial field?

OGDEN: I think that the European and American banks were working quite closely together at the time. The Peron government certainly got additional breathing room thanks to commercial bank credits.

Q: What about Brazil? Was this the menace to the north or something?

OGDEN: I don't think so. The Argentines were rather jealous of Brazil's economic strength and success but I don't think they felt threatened.

Q: Did you get any of this feeling that if things went wrongly it was the blame of the United States, which is true in so many other countries, or were we too far away?

OGDEN: Well, we had normal and close relations with the Peron government and tried to be supportive economically. As far as I know, we were not involved with the coup in any way and didn't try to support it. So I think that the vast majority of Argentines recognized that the United States was not involved in these domestic affairs. Of course, some of the guerrilla groups no doubt blamed the U.S. anyway.

Q: In 1976 where did you go?

OGDEN: We returned to Washington and I began another tour in the Economic Bureau of the Department. I was in the Bureau from 1976-1981. My oldest daughter Carolina had been born in Argentina. My other two daughters, Clara and Alison, were born during this period in Washington. I suppose that is why I have such nice memories of that time.

Q: Oh, boy, a good solid time. Well, we'll pick it up then in 1976.

***

Today is the 22nd of October 1999. What was your job in the Economic Bureau?

OGDEN: I was Chief of the Food Aid Division in the Office of Food Policy. We helped

to plan and operate the PL 480 Title I and II programs working with the Department of Agriculture and AID.

Q: Could you describe how the food aid at this particular juncture worked?

OGDEN: The agencies would draw up a budget allocation for PL 480 for the year including country allocations and commodity allocations. Of course, this was hypothetical because priorities changed during the year and so did commodity prices. We held weekly meetings at USDA to approve specific programs for specific countries. Agencies involved in those meetings included State, USDA, AID, Treasury and Commerce.

Once a loan was approved, Treasury would pay the U.S. exporter or entity and the food would be shipped to the foreign government. It in turn would sell the food to private interests receiving local currency. Then AID and the local government would jointly program that money for priority development projects. Title I programs were long term loans, Title II programs were grants.
Q: When they were selling the food on the local market, were they trying to make sure they didn't destroy the market?

OGDEN: We tried to be very careful when allocating food aid not to hurt local production and not to interfere with third country exports to the country. Of course, there were differences of opinion about this. One of our jobs was to explain and justify our programs to third countries who sometimes felt their exports were being adversely affected.

Q: What were the considerations with (1) the Department of Commerce, the Department of Agriculture, AID, and all? Was this a matter of consensus being reached?

OGDEN: Each agency had a little different perspective on food aid priorities and we got into some pretty good battles at the weekly meetings. USDA was most interested in promoting food sales and reducing U.S. surpluses. State sometimes wanted to use food aid for political purposes. AID, of course, was interested in using the food aid for developmental purposes. Even Commerce and Treasury had a philosophy about how food aid should be allocated and used. Each agency tended to have its own priority countries and the differences would have to be worked out.

Q: Looking at the world in 1976, where were we seeing the food really had to go to?

OGDEN: As I recall, the two biggest areas were North Africa and South Asia including India, Pakistan and Bangladesh.

Q: Well, North Africa, looking at Libya and Algeria, both of which had lots of oil.

OGDEN: I had in mind particularly Egypt and Morocco. I think we also were providing food aid to Sudan at the time.

Q: How did the system work? Was it able to respond to crises? Just below the Mediterranean set of African countries were the Sahel countries. The situation there was a great drought in the area. Could you respond well to that?

OGDEN: We could. The Sahel countries were mostly small and quite poor so we tended to use Title II grants. Of course, there was a limited amount of money and food available so large emergency grants to Sahel might have to come from other programs.

Q: Did we have problems with Australia and Argentina and other countries?

OGDEN: I don't remember problems with Argentina. But a rep from the Australian embassy was frequently in our office complaining that this or that sale hurt Australian exports. Australia made it a point to keep the pressure on us regarding possible damage to third country sales.

Q: Did you all see this as creating a market or was Agriculture looking to create a market?

OGDEN: USDA was very interested in the market creation aspect of the program. The other agencies also shared this objective but to a lesser extent. Of course, market creation did not mean just continued dependence on PL 480 aid. We wanted the countries to develop to the point they could substitute normal commercial imports from the U.S. for PL 480.

Q: What countries were of political interest to us? Which ones spring to mind?

OGDEN: I think Pakistan, India, and Egypt were of high political interest to us.

Q: Were we seeing any problem with the quality of particularly the wheat and other things that were going out? I've heard stories saying that there was too much dirt and too much chaff and all that in some of the stuff.

OGDEN: Certainly, there were isolated cases in which that happened. I don't think it was a very pervasive problem though. The inspection of the cargoes was pretty rigorous.

Q: Did Israel figure in this?

OGDEN: We had some programs with Israel as I recall. But I don't believe they were particularly large programs.

Q: Did rice come up?

OGDEN: I think the major surplus products involved were wheat, soybeans, rice, and dairy products.

Q: Was Congress breathing down your neck?

OGDEN: Congress was extremely interested in the program and got very involved. However, most of the congressional contact was with USDA and AID. We got most involved in the complaints from third countries which felt their commercial sales were adversely affected.

Q: What was your impression of your counterparts in Treasury and Agriculture?

OGDEN: I thought they were top notch professionals. I particularly remember George Pope from USDA and Dan Shaughnessy from AID.

Q: Did you find in the bureaucratic battles the fact that State Department tended to have people come in and out up against hardened warriors who had been sitting around the same table for 20 years?

OGDEN: That was a bit of a problem. However, Foreign Service Officers are quick learners so it wasn't too bad. Also, we had our own secret weapon in Carmel Cavanaugh who had worked in the Food Aid Division for many years. She knew everything about the budget and allocation process and was a superb professional. The other agencies had a lot of respect for her.

Q: At one time there was tremendous concern about the huge PL480 set of finances in India, which was the equivalent to the year's budget or something. I mean it was really big. Was that settled during your time?

OGDEN: I don't recall it being settled. It is true that some countries had very large local currency levels. Indeed, more than could be programmed for on going aid projects. But that issue mainly was handled by AID and our missions, we didn't get very involved.

Q: Did you ever find the politics of other bureaus coming in and somebody saying, "Oh, my God, we've got to get stuff out to Uruguay" or something like that?

OGDEN: Absolutely. The regional bureaus had their own ideas and perspective and favored certain countries over others. This was extremely valuable additional input and sometimes quite effective.

Q: Did you ever come across the problem of weaning the country away from the American tit, more or less, of subsidized food?

OGDEN: Yes, that was an issue. Korea was a good example of a country that was initially very dependent on PL-480 and then got its own agricultural system going and did much better and got off the subsidized food. We always tried to encourage that. OMB and Treasury especially pressed for that goal as a way to reduce future U.S. loans and grants.

Q: In 1977 or 1978, you moved to another field. Where?

OGDEN: Well, I moved to become the Chief of the Industrial and Strategic Materials Division of the Office of Commodity policy. At the time, we were very involved in an international effort to negotiate an Integrated Program for Commodities (IPC). The idea was for producers and consumers to try find a way to smooth out and stabilize commodity price swings which would help to promote development. The IPC involved a Common Fund to which all members would contribute. Around the Fund would be a number of commodity agreements with buffer stocks. The Fund would buy commodities when prices were low and sell when prices were high. The idea was rather idealistic but was being pressed hard by developing countries and had the support of the Carter administration.

Q: These terms undergo different meanings from time to time. Could you explain what a commodity was in this time?

OGDEN: We were looking at products like copper, natural rubber, jute, tin, coffee, sugar. My Division focused on items like natural rubber, copper, tin, bauxite and manganese. During the next two years, my primary focus was leading U.S. efforts to negotiate a new natural rubber agreement as part of the IPC. We traveled to Asia to learn more about producer issues and had four different negotiating sessions in Geneva before the negotiations concluded successfully.

Q: We are talking about that on an international basis, not just within the United States.

OGDEN: Yes, this was an international effort. There were over 100 countries involved. The consumers were primarily the United States, Japan and Europe. Producers included countries like Malaysia, Thailand, Indonesia, and Singapore. China and the Soviet Union participated also.

Q: What was in it for the rubber producers?

OGDEN: Natural rubber prices fluctuated significantly, affecting foreign exchange reserves and making it hard to plan for development. Such fluctuations also caused a lot of social and political instability in the producing countries. The producers liked the idea of having consumers help to finance the burden of stabilizing prices. Some of them may also have hoped to be able to raise the long term price of natural rubber in this way.

Q: On this when you use your office's term strategic materials, we are not talking about, from our point of view, trying to get ready for a big war or something like this. On a world wide basis, these are strategic materials.

OGDEN: We were interested in the IPC at that time hoping that more stable commodity prices would promote development and political stability. Also, we made sure that the natural rubber agreement contained guarantees for access by consuming countries in time of natural rubber shortages. With the oil crisis in mind, we didn't want to have to deal with more producer cartels.

Q: Now, you mentioned that China and the Soviet Union were in this, too.

OGDEN: Right.

Q: I would have thought that bringing all these disparate countries together would be difficult.
OGDEN: It was difficult and very time consuming. However, the focus of the negotiation was between the United States and Europe and the producing countries led by Malaysia and supported by Thailand, Indonesia and Singapore. Countries like China and the Soviet Union participated actively but were not part of the core negotiating group. The United States actually drew up and tabled the negotiating draft that we used. The head of the producer side was an interesting man from Malaysia named B.C. Sekhar.

Q: What was the background of Mr. Sekhar?

OGDEN: I believe B.C. Sekhar was of Indian origin. He was Malaysia's leading expert on natural rubber issues. His status and reputation were important in helping to bring the producers together on difficult issues. Actually, we had a lot of fun working with Sekhar and the other producers.

Q: Was there any opposition to what we were doing?

OGDEN: We had reps from the private sector on the U.S. delegation. There was usually someone from the Rubber Manufacturers Association present and also someone from the Rubber Traders Association. I would say the private sector reps were skeptical of what we were doing but willing to give it a try. They didn't want to directly oppose the negotiating effort because that would have antagonized the producers and the U.S. government.

After the agreement was negotiated, I left ISM but I understand the Natural Rubber Agreement worked quite well. There were buffer stock purchases and sales which hopefully helped to stabilize prices. The rest of the IPC program pretty much fell apart when the Reagan administration took power. There wasn't much interest there in these sorts of non-market programs to deal with international commodity problems.

Q: Did you run across problems, when you talked about copper, one immediately thinks of Peru or the Congo, Zaire or something like that where the mining and selling of it is extremely political. Peru is highly suspicious about what the United is up to and all that.

OGDEN: In the case of copper, there was an international Producer-Consumer Forum to examine supply and demand trends and to discuss problems. The Forum had no authority to intervene in the market in any way so it wasn't very controversial. In ISM, we of course followed the situation in Peru and in other copper producing countries very carefully from the point of view of continued assured access to these minerals.

Q: How about Congress? Was there much interest there?

OGDEN: Congress was very involved in strategic material issues and we spent a lot of time in ISM answering congressional mail. When the Natural Rubber Agreement was negotiated, we had to go to Congress for approval and to obtain funds for the buffer stock. I recall Under Secretary Richard Cooper had to testify on several occasions before the Senate Foreign Relations Committee on behalf of the Rubber Agreement.

Q: How did you feel about international cooperation at that point?

OGDEN: I think the International Program for Commodities was a worthwhile international effort to deal with a big economic, social and financial problem. But perhaps the scope of the approach was too grandiose to ever promise very concrete results. Then there was the problem of continuity. When the Carter administration left, the Reagan officials didn't want to have much to do with the IPC. The political climate was changing in other countries as well. There wasn't enough follow through.

Q: In about 1980 you left.

OGDEN: In the fall of 1980, I went to the National War College for a year.

Q: What was your impression of studying with the military?

OGDEN: The National War College was a good experience. There were officers from all the services, as well as the State Department and several other civilian agencies. We had an opportunity to discuss issues from quite a range of perspectives.

Q: Did you take an particular trips?

OGDEN: We took several trips. Our major spring trip was to NATO headquarters in Brussels and then through France to talk with French military and civilian leaders. In addition, we took three mini trips. One was to visit NASA facilities at Cape Canaveral. Another was to Nellis Air Base in Nevada to get briefed on Red Flag air combat missions. Finally, we visited the Strategic Air Command in Nebraska.

Q: When you were in France, what was your impression and your class' impression of French policy. French policy always seems to be off, as far as Americans are concerned, they all seem to be kind of a burr under the saddle.

OGDEN: The French certainly like to maintain their independence in NATO and elsewhere. On the other hand, France has a strong national consensus supporting nuclear deterrence. Also, the French are very effective in low level anti-terrorist activities. We had a great trip and the French were very cordial.

Q: Did you find that you spent a certain amount of time explaining the world as seen by Foreign Service Officers to military people?

OGDEN: The core course at the War College more or less was divided into two sections. In the first half year, we examined the Congressional budgetary process and in the second half moved on to more specific military and strategic planning. Foreign Service Officers tended to have a little different budget priorities. In drawing up broad strategy, we naturally focused more on economic issues, drug problems, ethnic confrontations, etc.

Q: At this particular juncture, the Soviet Union was seen as the monster out there.

OGDEN: The Soviet Union definitely was still seen as the major threat. However, attitudes about how best to deal with the threat were beginning to change. For example, a number of military students at the time were calling for significant troop reductions in Europe. They saw greater dangers in Asia, and thought emergencies could be met from bases in the United States. I was concerned that such an approach might send the wrong message to European allies.

Q: Were you picking up the feeling that the Carter Administration was not that friendly towards the military?

OGDEN: I think there was a sense of frustration in the military about the Carter administration. First, because of budget restrictions. But also because of the drawn out crisis over the hostages in Iran. When Reagan was elected in the fall of 1980, I would say most military officers were content and hopeful for increased budget funding. That certainly proved to be the case.

Q: Obviously, you were concerned about wither and whither after 1981.

OGDEN: After the War College, I became Director of the Office of Security Assistance and Sales in the Bureau of Political-Military Affairs. Rick Burt was the Assistant Secretary at that time. Les Brown was my direct boss. This was the period of the Reagan doctrine. We were seeking to strengthen regional powers in the expectation that this would contribute to regional peace and stability.

Q: Could you explain what security assistance meant at that point?

OGDEN: Sure. Security assistance involved the provision of arms to allies and friends around the globe. This might include major weapons like aircraft or tanks, or the simple provision of spare parts. Congressional approval was required for the sale of big systems. For example, I remember that when I arrived, the sale of F-15s to Saudi Arabia was a big issue in Congress. It was an important new step for the Reagan administration.

Q: Did you find that you were in a re-energized bureau at this time?

OGDEN: It was certainly a very active and important bureau at the time. Our office played a key role in preparing the security assistance budget for each region. We helped in the assessment of the strategic balances. And we worked closely with the Pentagon on

the approval of the sales of specific weapons systems.

Q: Let's talk about some of those.

OGDEN: Well, during the Lebanon crisis of that period we were trying to support the Lebanon armed forces. Specifically, the issue was the provision of M-48 tanks to the Lebanon armed forces. As I recall, the State Department supported the transaction. The army, however, had strong concerns about taking the M-48s out of army inventory. This was an example of a difference of perspective that often accompanied an arms sales. In some cases, the Pentagon would favor the sale and the State Department would have concerns.

Another controversial case I recall involved the sale of a communications satellite to the Arab league. Several congressman were concerned about the implications of the sale in the event of hostilities in the area. I believe the sale was finally approved. In that case, the belief was that if we didn't make the sale, some other western power would simply get the business.

Q: This was not too long after the Camp David Accords and all. Was there a feeling that a disproportionate amount of military assistance was going to Israel and to Egypt?

OGDEN: Israel and Egypt were by far the largest recipients of our aid. I am sure some people thought the amount was disproportionate but, on the other hand, those two countries were so important. Promoting good relations between Israel and Egypt was the key to maintaining peace in the Middle East. We had some interesting issues with Israel, too. For example, Israel at the time had a program to develop its own fighter aircraft called the Lavi. It wanted to reduce its dependence on the purchase of American made F-15 and F-16 fighters. The U.S. had a difficult time deciding whether or not to support the Lavi program. On the one hand, it would promote Israel's high tech sector. But Israeli purchases of American fighters were important to maintaining production capacity in this country and also gave us increased leverage with Israel. In the end, I believe Israel gave up the Lavi program as being too expensive although I am not sure.

Q: I've heard in other contexts that one of the major problems in particularly dealing with Israel was that they would take an American military product and put their embellishments on it and then sell it off to somebody else.

OGDEN: This was an issue, not only with Israel but with all recipients of security assistance. The U.S. tried hard to restrain and control the sale of its equipment to third countries but sometimes items slipped by us. For example, I recall that on one occasion, our military attaché in Sudan noticed some American tanks appearing in Sudan. When we investigated, we found out that these tanks had been sold to Saudi Arabia. The Saudis, apparently, had shipped the tanks to Sudan without obtaining the necessary US approval. But I don't think this happened too often, because countries knew that illegal third country sales would affect their future access to security assistance.

Q: Was there a careful balancing act of not introducing too many sophisticated weapons to Latin America?

OGDEN: We were very careful about that. I remember on one occasion, Peru came in with a request to purchase F-16 fighters. The issue provoked quite a bit of debate. Some felt we should support Peru, and that if we didn't make the sale the Soviets or some other country would. Others felt there was no valid threat to justify the sale. Moreover, the transaction would just use foreign exchange better spent on development. I don't believe that we approved that sale.

Q: Let's move on to lower Africa. There really wasn't much call for fancy equipment for countries so poor.

OGDEN: In lower Africa, we were dealing more with military-to-military exchange programs. That was also one of the things that our office covered. We had programs to bring African military officials to the U.S. for courses and training. There were not big sales of equipment.

Q: Did we find ourselves, we were trying this balancing act also we had solid commercial interests. Yet the British and the French had a very strong reason to want to sell their stuff. Were we on a competitive basis with that?

OGDEN: We tried not to be competitive. We had a lot of contacts with the British, French and other suppliers seeking to avoid competition. We were especially careful to try to avoid competition in areas like Latin America and Africa. On the other hand, I can't deny that there was competition. I think foreign countries particularly liked the U.S. security assistance program because the equipment was good and the program of maintenance and support which the U.S. armed forces provided was important to them.

Q: You were doing this until when?

OGDEN: I did it from 1981-1983.

Q: Did you find that the American military had concerns, one about some of the sales and two about draining their own stock or potentially building up a possible hostile combat forces?

OGDEN: The chief concern of the military was over the transfer of sensitive technology which might be embedded in a military weapon. I would say the military generally took a harder line on that issue than the State Department. I don't think the military was so concerned about the issue of drawing down stocks. If that was a concern, the sale normally was not approved. The M-48 tank sale to Lebanon did raise inventory questions and was approved only as a response to a crisis. There wasn't much concern about building up hostile forces. Our aid went mainly to friends like Egypt or Saudi Arabia. We hoped these countries would share the burden of maintaining peace and stability in their region.

Q: Obviously, we were in some areas in competition with the Soviets. The Soviet equipment hasn't turned out terribly well when it is up against American equipment.

OGDEN: I think you're right.

Q: I was wondering if that was a selling point?

OGDEN: Well, on the whole, I don't think we needed to make that point. Most large recipients of security assistance were not very interested in buying Soviet equipment. Of course, the issue did come up in a few cases like India or Peru.

Q: Well, the Indians were basically buying Soviet stuff or getting as gifts.

OGDEN: That would be an example.

Q: Were we looking at that time at Pakistan as a recipient of mainly military aid as not trying to over challenge India?

OGDEN: As I recall, we had some significant programs with Pakistan. We might have sold Pakistan F-16s during that period.

Q: How did you find the staffing of the Political-Military Bureau then?

OGDEN: The staffing was very strong. Close colleagues of Rick Burt in the Bureau included Bob Blackwell, Richard Haas and Arnie Kantor.

Q: Was Political-Military considered to be a good career path?

OGDEN: I think so. The SAS Director job fit my background pretty well because there was a significant economic/budgetary aspect to the work. And I was familiar with military and strategic planning work from the War College.

Q: On the budget side, were we concerned that countries don't over strain their budgets by getting these military things?

OGDEN: Of course, that was a factor that we considered. But most of these Foreign Military Sales were made on the basis of long term credits that were actually very favorable for recipients. We avoided sales to very poor countries unless there was a very significant threat.

Q: Did you ever find someone from the Pentagon coming and saying, "Hey, we've got a surplus in a certain type of anti-aircraft gun, can you get a market for us?"

OGDEN: No. But the Pentagon certainly had a big interest in the program. Foreign purchases of U.S. military equipment helped to sustain U.S. production levels.

Q: In 1983, where were you?

OGDEN: In 1983, I got a call from Frank Ortiz who was going to be the new ambassador to Peru, and he asked me to come down to be his DCM. The Department approved. I very happily said, "Yes," so we were off to Peru for our next tour.

Q: So you were there from 1983 to?

OGDEN: I was there from 1983 to 1985.

Q: What was the situation in Peru?

OGDEN: It was a very difficult period. Fernando Belaunde Terry had been reelected in 1980, and so we were living through the last two years of his presidency. The situation was rather unstable because the Shining Path guerilla group was becoming much more active, especially around Ayacucho. The security situation for the embassy was hard and it was dangerous to travel in certain parts of the country. Some areas were virtually off limits for embassy travel. Belaunde was trying to get through his mandate and we were, of course, anxious to sustain democracy and to promote it. We worked quite closely with him to do that.

Q: What had been the recent history of Peru, leading up to the present?

OGDEN: This was Fernando Belaunde Terry's second term. He'd been elected in 1963 but had not been able to finish his mandate. There was a coup in 1968 and General Juan Velasco Alvarado took power. Velasco used Belaunde's settlement with the International Petroleum Company as an excuse for the coup. His administration nationalized a lot of land and companies including IPC. Eventually, a more moderate General, Francisco Morales Bermúdez, took power in the mid-'70s. So the background to Belaunde's election was about 12 years of military rule.

Politically, the left in Peru for a long time had been dominated by the American Popular Revolutionary Alliance (APRA). Belaunde's party was the Alianza Popular which tended to be more centrist and moderate. One of Belaunde's key goals was to get through his second term so he could hand over power to an elected successor.

Q: How were relations with the embassy and the government?

OGDEN: They were very good, especially in the early part of his term. In the last year or so, I think relations were not quite as close because Belaunde was having a harder time governing. There was a feeling that things were slipping a bit out of his control. But he was an elected leader, he was popular, and we tried to support him in every way possible. We had a lot of very interesting programs in Peru. I can run through them.

Q: Yes, let's run through them.

OGDEN: We had a big AID program, I think one of the biggest in Latin America at that time. It was primarily involved in agricultural reform and also in health and education. Agricultural reform was a priority for Belaunde.

Q: Was that agricultural reform tied to the land reallocation?

OGDEN: Yes, land reallocation, better rural roads and trying to encourage the production of agricultural products with good export potential.

Then we had a big civil air problem involving Eastern Airlines at that time. Eastern was not getting as many routes and landing rights in Peru as it wanted. The government was trying to favor Aero Peru. We had a lot of negotiations with the Peruvians on that issue. Eventually, the situation got so bad that the CAB had to cut off Aero Peru from the United States. By the end of my stay, there were no direct flights between Peru and the United States. That's a very unusual state of affairs. The Peruvians just didn't like the fact that Eastern was challenging their national company.

Then there were also mineral issues that were important. We had some problems come up with Occidental Oil and Belco Oil. Southern Peru Copper operated a very large and important mine near Ilo and we followed that situation carefully.

Q: Have the expropriation issues been pretty well settled?

OGDEN: Well, under the Belaunde regime I don't recall any expropriation issue arising. But the problem remained under the surface, I guess. When the APRA leader Alan Garcia was elected in 1985, the issue came up again. I believe that he nationalized Belco, although I had already left by that time.

Narcotics was a very big issue for us in Peru. We were funding programs to eradicate Coca production in the Huallaga valley, and AID was promoting agricultural substitution programs. We also were funding efforts by the Peruvian police to track down narcotics traffickers. Our funding levels were small then, but Congressional interest in the programs was very high. I recall several Congressional visits to Peru which focused on the narcotics problem.

We had very close relations with the Peruvian military in those days. Ambassador Ortiz was an avid tennis player and had assembled a group of tennis enthusiasts in the embassy. We would go out almost every weekend to play tennis with key Peruvian military leaders. For example, the army chief at the time, General Julian Julia, was a tennis nut and we often would play with him and other top army generals. Between sets, we never missed an opportunity to emphasize the importance of democracy to the future of Peru. If any coup thoughts were brewing, I would like to think that we kept them in check. This was real tennis diplomacy.

Q: Was there a communist party in the area?

OGDEN: I think the Aprista Party on the left was wide enough to include most of the communist-oriented thinking in Peru. Prior to the 1985 election, we had several very useful sessions with Alan Garcia, the Aprista leader, while he was a candidate for President. I can remember several luncheons when we were talking about possible new AID programs and how we could cooperate on narcotics and other issues. It was a big disappointment to learn later that Alan Garcia had taken a different path and decided not to cooperate with the United States. I think he missed a big opportunity to transform the left in Peru into a more responsible political force.

Q: Did we have an attitude or do anything about the Shining Path?

OGDEN: Well, we certainly had an attitude which was to promote security and to limit travel to areas in which Sendero operated. Our anti-narcotics program was not directed against Sendero. Indeed, at the time the links between Sendero and narcotics traffickers were not very clear although we were very interested in the issue. We were concerned about the military and the police reaction to Sendero. Human rights violations were occurring and we didn't want military repression to turn the population against the government. We made this point often at high levels of the government and within the military. Frankly, it was hard to know exactly what was going on in small villages in rural areas. Anyway, Sendero was very active and got to be more of a threat. The group would frequently blow up electricity towers plunging Lima into sudden darkness.

Q: As we saw it, what was the objective of this organization?

OGDEN: Sendero seemed to be an indigenous movement. It didn't receive much help from Cuba or Russia and didn't seem to want it. The guerrillas often used brutal intimidation of local villagers to enforce their objectives. They tried to provoke the military into human rights violations. The group's stronghold included the Ayacucho area. Later, it almost certainly formed links with the narcotics traffickers as its power and influence spread.

Q: What was the role in those days or was there one of the intelligentsia, universities, thinkers, and that sort of thing?

OGDEN: Well, there was always concern about the extraordinary poverty in Peru. Many people felt that the government wasn't doing enough, that Belaunde just wasn't dealing with the problems. The knock on Belaunde was that he was more interested in big projects like the marginal jungle highway, than in social reforms to help ordinary Peruvians.

Surprisingly, there was a strong free market group in Peru at the time. It thought the solution to Peru's problems was to get the government out of the way and to let the private sector operate. The free marketeers noted the black market in Peru was large, and healthy, and growing and felt more of the economy should operate that way.

At the other extreme were the leftist groups. They advocated the kinds of solutions tried

by General Velasco. For them, capitalism was basically selfish and evil. The only solution was for the State to nationalize as much of the economy as possible and to subsidize basic activities like transport and electricity.

Unfortunately, Peru seemed to lack a strong center which could sustain moderate programs within a stable economic and political framework. There was too much social experimentation with radical programs.

Q: Looking at your background as an economist and all that involved developmental things and looking at Peru at that time, did you see that it had the potential that, say, Chile had to have a very sound economy, agriculture and all that?

OGDEN: Well, I think so. Peru had marvelous agricultural and mineral resources. And its fishing industry was probably the biggest in Latin America. Of course, the geography and topography of Peru were major drawbacks. Transportation was an incredible problem. Rain and floods would constantly wash out mountain roads which had to be rebuilt at great cost. Unfortunately, the distinctions in wealth between rich and poor were some of the worst I've ever seen. With the Sendero problem, refugees from the mountains and jungles would pour into shanty towns around Lima. It was almost impossible for the government to provide health and other social services.

Q: Did we have any tuna wars with Peru in those days?

OGDEN: No, we didn't have any major problems. The big problem was the El Niño. They had a very bad El Niño phenomenon just when I arrived.

Q: Could you explain what the El Niño is.

OGDEN: The El Niño is a weather pattern that warms up the cold pacific currents along Peru's coast. This tends to ruin the anchovy and other fishing, often for several years. Terrible rains also are associated with El Niño. When I arrived in the summer of 1983, El Nino inspired rains were causing floods all up and down the coast. Crop losses were huge, roads and bridges were wiped out, electricity was out in many areas. It was a bad situation.

Q: How about the perennial Peru-Ecuador border business?

OGDEN: Peru has a border with five countries, and historically tensions have been great with Ecuador and Chile. Fortunately, border issues were pretty quiet while we were there. I think Belaunde was pretty sensible about seeking good relations with close neighbors.

Q: How did Frank Ortiz operate as ambassador?

OGDEN: I thought he was extremely effective. He really knew the government leaders and Peruvian society very well. He had excellent access. He made the effort to add a personal touch and was very supportive of embassy staff. Ambassador Ortiz left after

only four or five months to become our Ambassador to Argentina. Our next Ambassador was David Jordan, a political appointee. But he did not arrive for almost a year, so I had the opportunity to serve as charge for that period.

Q: What was your impression of the Foreign Ministry of Peru, how it operated and its outlook?

OGDEN: The Foreign Ministry under Belaunde was quite pro American and always helpful. I recall many useful discussions there. The Foreign Ministry did a very good job working with the embassy to coordinate Congressional and other visits. There also were some important discussions about debt problems with the Foreign Ministry and Ministry of Finance and Central Bank.

Q: This was the same one that had hit Mexico and Brazil. I mean it was a major issue.

OGDEN: Peru had a major foreign debt problem around that time. Belaunde pushed development projects very fast, taking on more debt. As I recall, the country already had a heavy debt burden from projects pursued by the military. Anyway, we were engaged in discussions to ease the debt payment burden for Peru. Unfortunately, when Alan Garcia took power, he unilaterally terminated most debt payments which led to a rupture in Peru's links to the international financial community.

Q: Did you feel that Peru had the cadre that apparently Chile had even during the Pinochet time, known as the Chicago Boys, but essentially some very astute economists who helped keep Chile on the right course.

OGDEN: Belaunde had a top notch economic team and the embassy worked very closely with it. Still, when the international economic situation turned unfavorable, Peru was caught up in the problem like the rest of Latin America.

Q: What about the narcotics? Were the drug lords there or was this a way station or how did we see the apparatus?

OGDEN: Coca production in the Huallaga valley was very extensive. I flew over the valley a couple of times in an airplane, and you went for miles and miles and saw nothing but Coca. Some laboratories were being built to process the Coca. The traffickers were running in and out with light aircraft and moving shipments to Colombia. This was an isolated area and very difficult for the government to control.

In general, our anti narcotics effort was focused on this area. As I mentioned, we had programs including Coca eradication, crop substitution and support for police efforts. While a major issue, we didn't believe the drug problem at the time spread across Peru or affected society at large.

But we were very concerned about growing links between the drug traffickers and the Shining Path. The pattern seemed to be that traffickers supplied money to Shining Path.

The guerrillas, in turn, protected the drug traffickers from government efforts to put them away. This obviously was a very worrisome trend.

I recall another issue at the time was whether the Peruvian military should get involved in anti narcotics activities. On the one hand, the Peruvian military could be effective. On the other hand, there was concern that the military could become corrupted through narcotics involvement.

Q: Did we see a spill over between the situation that was developing in Colombia and in Peru?

OGDEN: Yes, I think there were a lot of links. Most of the production of Coca at the time probably was in Peru. The processing and shipping to the United States seemed to operate mostly out of Colombia. There was intense trafficking back and forth between the two countries.

Q: Did you have any significant political visits while you were there?

OGDEN: We had a lot of CODELS. I remember one in particular because it took place on my first day in Lima. Somehow, I found myself on the bus with the entire CODEL serving as the embassy expert who was supposed to know his way around. Of course, I didn't know anything about Lima directions and the bus driver had no idea how to get to our luncheon. It was really awful. We drove around for about an hour trying to get to a place that was only ten minutes away. Later, the CODEL made me stand up and apologize to the businessmen who were at the meeting. It was the best thing that ever happened to me because (1) I got to know the entire business community right away and (2) they all felt sorry for me and gave me special support thereafter.

Q: This might be a good place to stop now. Where did you go in 1985?

OGDEN: In 1985 I went on to London. It was a shift in focus to Europe.

Q: Just before leaving here, did you have the feeling, I mean you and some of the embassy personnel, that Latin America was on the move and beginning to shuck these military dictatorships and beginning to change itself or not, or had that really started moving?

OGDEN: I think there was a lot of concern that the economic and debt problems were going to set back Latin America and create a climate where democracy would have a tough time surviving.

Q: You were seeing this develop. You are an economist and all. What was the cause of this debt problem?

OGDEN: In general, there was excessive zeal in promoting development projects which weren't always very successful. The countries took on too much debt. This included poor

planning by local authorities and too much lending by the banks. Then, when the prices of commodities and other exports went down, the countries quickly got into trouble.

Q: We'll pick this up in 1985, and you're off to London.

***

Today is the 1st of December 1999, the first day of the last month of the millennium. Dick, let's talk about 1985 London. You were there from when to when?

OGDEN: We were in London from 1985 to 1989. I started out as the Economic Counselor. After about two years, I moved up to be the Economic Minister-Counselor.

Q: Alright. Can we talk about what you were doing? Let's talk about the embassy and your impression–this is a big embassy, of course.

OGDEN: Well, it is a big embassy. It was very large. Charles Price was our ambassador, and Ray Seitz, at that time, was the Deputy Chief of Mission. Kim Pendleton was our Political Counselor and Mike Calingaert was Economic Minister-Counselor. It was a very good embassy to work in with a lot of outstanding officers. I think the relationship with the British at that time was terrific. This was the height of the Reagan-Thatcher special relationship. We enjoyed excellent contact with the British, and I think that the embassy functioned well.

Q: How did we view Reagan and Thatcher as far as, I mean were they really on the same wave length?

OGDEN: I think the philosophy of Reaganism and Thatcherism were about the same. The implementation of the programs differed because the two countries faced rather different circumstances.

The pillars of Thatcherism at the time involved curbing union excesses, privatizing state companies, promoting monetary and fiscal restraint and generally increasing private home ownership. But Thatcher never really changed the education and public health system that much.

In the United States, the defense build up led to enormous budget deficits. That did not occur in Great Britain.

Q: This seemed to be with Margaret Thatcher. You've already given some of this but at the embassy because breaking the minor strike, did that happen during your time?

OGDEN: Yes. When I arrived in 1985, Thatcher was in the process of winning her battle with Arthur Scargill and the National Union of Mineworkers. Facing down the coal strike was considered a great victory for Mrs. Thatcher similar to her victory in the Falklands war. Afterwards, her popularity soared.

Q: This broke the power of the unions in a way, didn't it? I mean, not completely but you know.

OGDEN: This was major step along the way. Some of the power of the unions already had been reduced, but this was an important victory. I think Scargill was pretty far left and a bit of a tyrant so there was a lot of public support for the government in this fight.

Q: Did we find as the embassy at that point a pretty sharp division between the Thatcher government and the chattering class or the intellectuals or whatever you want to call it to a certain extent I think? Did you find that we were having a problem communicating to other parts of the British establishment? I'm talking about the left.

OGDEN: We spent a lot time socializing with the Labor Party and with the left in general. After losing the 1983 election, Labor chose Neil Kinnock as its leader and adopted a more moderate tack. Labor still had quite different ideas on economic and defense policy, but the new leadership was more open and willing to listen to other points of view. Of course, we got along very well with the Thatcher government. Ambassador Price was well liked and we had close rapport with most of the Cabinet officials.

Q: So you arrived during this great fight with Thatcher versus the miners and Scargill. Were there mixed feelings within the economic section or something about how this thing should be done?

OGDEN: I don't think there was a big problem. We were disappointed to see the bitterness of the struggle and the sharpness of the divisions. I guess we realized, though, that it was an important turning point in British history. After that, I don't recall another comparable economic crisis, at least while I was there. Still, this was not an easy period. Unemployment was very high and the benefits of Thatcher reforms were only beginning to appear.

Q: The British economy since World War II been a concern of ours because it seemed to have been plagued by strikes and by poor management at the top. It was not quite the "Sick Man of Europe" but it certainly was not healthy and hadn't been healthy.

OGDEN: Yes, that is right. British economic power had gone down rather steadily in the post-war period. I think a variety of factors contributed to the decline including large government welfare programs, government subsidies, loss of confidence and productivity, and class divisions. The British didn't seem able to adapt well to post-war realities. Of course, the unions were still very powerful, and various governments tended to give in to labor demands. Meanwhile, the economy just kept sliding.

When Thatcher took over, she decided that this downward spiral had to be turned around. She wanted to make Britain strong and productive once more. Initially, the Thatcher programs were not very successful, as a lot of companies went under and unemployment soared. And it took some time before new entrepreneurial forces began to make some

impact. But gradually the new programs took hold. Key state companies like British Gas, British Air and British Telecom were sold to the public. Residents of public housing were given an opportunity to own their own homes. New investment flowed in to take advantage of deregulation.

Q: What was your slice of the action when you first got there? What was the economic section doing and what were you specifically doing?

OGDEN: The Economic Section was very involved with trade policy. We had an excellent energy officer who followed events in Great Britain and throughout the world. Of course, we were very interested in anything going on in the European Union. We had a Civil Aviation officer. We had a Commodities Officer who took care of U.S. interests in the various commodity organizations in London. And we were very interested in export control policies at the time.

Q: We were still in the middle of the Cold War.

OGDEN: Yes. We were still in the cold war. The Reagan administration was worried that critical high technology was flowing to the Soviet bloc from western exports. So there was a big effort made to tighten up on export control policy. I remember several important high level visits on this issue.

Civil aviation was another big issue. We had a number of tough bilateral issues to work out with the British. We also were very concerned about Airbus subsidies. I don't think many weeks went by without some demarche or other on this subject.

The biggest issue during my stay in London was the EC 1992 Single Market program. In the mid eighties, the European Union decided to move ahead with integration efforts and to create a single market by 1992. This involved around 350 specific new measures. Initially, there was concern that the EU was moving toward a fortress Europe that would limit U.S. trade and investment. Gradually, these concerns were eased.

Q: How did you deal with that particular problem?

OGDEN: At the embassy, we created a high level group to deal with EC 92 developments and gave the issue a lot of priority. Key officers of the embassy were all involved such as the Ambassador, DCM, Econ Minister-Counselor, Commercial Counselor, Treasury Counselor etc. We met frequently with the American business community to share opinions and discuss strategy. For example, we were interested in the issue of national treatment. Were American companies going to be treated like European companies? We were concerned about the setting of standards. Were American companies going to be able to participate in setting standards so their products wouldn't be disadvantaged? Procurement rules were another big issue. Would American companies be able to bid on public and private procurement projects on the same basis as European firms?

In addition to meeting with American companies, we spent a lot of time making our views known to the British government and the European Commission. We emphasized the importance of maintaining an open Europe so American and other foreign businesses could contribute to European development.

Q: What was the attitude of the economic section and of the embassy towards the EC? That this was an unnatural progression or was this going to be pretty difficult?

OGDEN: We always were supportive of European integration as long as it was open and fair. At the same time, we usually worried that the process might turn inward and seek to promote the interests of European firms at the expense of foreign firms.

I recall another issue that involved American banks with home offices in London. Were they going to be able to operate in other EU countries on the same basis as a British or French bank? There were dozens of issues like this. We needed to know what the Europeans were thinking and to promote the interests of U.S. companies and banks.

Q: In the overall scheme of things dealing with Europe, was there the view that we could work with the British because we have to have the British in order to counteract the French who are–I am supposing something–going to be trying to freeze us out and doing whatever they can to keep the Americans from being around?

OGDEN: Yes and No. We always supported a strong British role in the European Community because we thought the British would help to keep the European Union open and outward looking. At the same time, we felt that the British would be one of the EU members most open to dealing with us. Sometimes we would discuss with the British how we could gain support for our views within the European Union. But this wasn't always the case. Sometimes we felt it was more useful to work directly with the Commission on an issue. And the French were not always negative to our involvement with the EU. Sometimes we worked closely with the French on issues.

Q: What about agriculture? I would have thought–this is still the main problem, I think, everywhere–preserving the small farmer is very potent politically in Europe as it has been in the United States. Was that arising as an issue?

OGDEN: It was a constant problem. European agriculture is very highly subsidized. There is a strong political commitment to maintaining rural agricultural life in France and Germany and other EU countries. After setting a high internal price, the EU charges a variable levy to keep out foreign products while subsidizing exports. We always sought to put agriculture on a more market oriented basis. The British tended to be helpful on these agricultural issues.

Q: During this time, were we making a real pitch to keep a labor attaché or someone in the economic section working with labor? I mean, labor unions as opposed to the Labor Party.

OGDEN: Yes. We had a labor attaché who was extremely active working with the unions

and developing union contacts. Most of the senior officials of the embassy had extensive contacts with the labor party because there were so many important issues to discuss.

Q: Was Michael Foot still there?

OGDEN: Michael Foot was still active, as I recall, but he wasn't the leader any more. Neil Kinnock was the leader.

Q: One of the things that I've heard complaints about people who dealt both in the U.K. and France and in Germany because it's so big and because telephone calls across the Pacific that sometime an embassy can feel cut out because you have the undersecretary of the Treasury calling his counterpart in London. These contacts at sub-cabinet or cabinet or even presidential level and often the word doesn't filter down. You get bypassed a lot.

OGDEN: I don't remember that as being a big problem, except in the one area that you mentioned involving the Treasury. Senior U.S. Treasury officials did contact their British counterparts quite a bit without informing the embassy. This could adversely affect our reporting program. I recall the Treasury attaché sometimes was reluctant to report an issue because he didn't know what his superiors might have said directly to HMG counterparts. The State Department did a better job keeping the embassy informed.

Q: What was the feeling when you were talking to the Labor people, particularly, but also the Conservatives and business people and all towards Ronald Reagan as president?

OGDEN: The caricature of Reagan in the British press and in cartoons was of a trigger happy cowboy, bombing Libya, or setting off rockets, or wiping armies off the map. The political comedies usually showed Reagan that way, with Mrs. Thatcher as his obedient poodle. They'd always have her on a leash with Reagan leading her around This was the superficial and critical view. For those involved in politics, the view was very positive. I think even the labor party recognized that Reagan was a strong and well liked president. And of course, Reagan had a lot of support among the British masses.

Q: When you are saying, Thatcher being portrayed as Reagan's poodle, I talked to someone who was with the NSC who said one of the major concerns was trying to keep Ronald Reagan and Margaret Thatcher from being in a room alone together because Thatcher could get commitments out of Ronald Reagan that they wished she hadn't.

OGDEN: I'm not sure sometimes who was the poodle, but that's the way it was always depicted in the British press. I don't think Thatcher was anybody's poodle. Maybe more like a Rottweiler.

Q: What was your impression of Charlie Price and what was his background?

OGDEN: Well, I was very impressed with Charlie Price. He always made a good impression on British television. I think he had a natural public relations sense. As I

mentioned already, his access at the senior levels of British business and government was terrific. He was a fun person to be with. He enjoyed a good party. He was a jovial guy who liked playing tennis, which I did, too. He and Mrs. Price really kept Winfield House humming with a constant stream of high level British guests.

Q: Did you travel around much?

OGDEN: I traveled some but not a great deal. We went up to visit Scotland and got over to Wales a couple of times. I toured the south and southwest of England quite a bit. We usually would attend the party political conferences which was fun. But I tended to spend most of the time in London dealing with the government and American businesses.

Q: I was just wondering about were we concerned at that particular time about the state of the north? It was equivalent to our west belt.

OGDEN: There was a lot of concern in Britain about the growing divide between a stagnant north and a prosperous south. The country also tended to be politically divided with Labor strong in the north and the Tories strong in the south. There was an effort to get businesses to locate in the north through special subsidies. But I think Thatcher's view was that free markets, deregulation and more private ownership would lift all economic boats including the north.

Q: Was there concern at that time about Japan putting industry into Britain, the issue of foreign investment in Britain? Was there concern or maybe even a delight?

OGDEN: There was some concern about rising levels of Japanese investment. The British liked American investment because they were used to it and because we had a very open market for British investment in the United States. But Japan was a different story. The Japanese markets were quite closed to British investment.

Q: Did you find the British have their xenophobia along with every other country? Did you find that there was a sizeable hunk of influential British people who really weren't enamored with the European Union? Today they are called Euro-skeptics. I don't know what they were called then. Were you dealing with that?

OGDEN: There were certainly Euro skeptics when I was there. The main concerns were that the Commission was too big and powerful and that Britain had to pay too much to run the European Union. Usually, the Thatcher Tories are the least enthusiastic about Europe. But at that time, the Thatcher government actually was leading the charge on the 1992 European Single Market because it meant deregulation and increased business flexibility. These were very Thatcherlike objectives. Later came the Maastricht summit and the idea of a common currency and European Central Bank. I think that was the time when the Thatcher wing of the Tories started to really oppose European involvement.

Q: Something I find interesting when I talk to people who've been on the desk, I ask whether their country–let's say it's Nigeria or something–does their embassy know where

the levers of power are. In other words, do they keep away from the Department of State and go after Congress, the media, the NSC, in other words, if you are dealing with Washington, you have to know where the power is and how to influence it. How about as a high ranking embassy officer in London, where do you put your finger? Where do you go around?

OGDEN: I think that was less of a problem for us in London. I'll tell you why. Here in Washington, power is disbursed among the agencies and the White House. There is a lot of competition, and an embassy can get somewhat different views depending on which agency it approaches. Based on my experience in London, the British civil servants are highly trained, value teamwork and communicate very quickly with each other. For example, if I made a demarche at the Foreign Office, the rest of the government would know about it within a very short period. So you tended to get the same view. There wasn't much advantage to shopping around so to speak.

Q: You can do end runs and bypasses and everything else in the Washington context.

OGDEN: It's much easier to play that game in Washington because we do not coordinate as well. However, it is more dangerous as well. Sometimes an embassy can infuriate an agency in Washington just by raising an issue with another agency.
Q: How about the media, how did you look at the media during the time you were there?

OGDEN: Well, we had a very active press program. Embassy officials appeared on television quite frequently, giving interviews and explaining U.S. positions on issues. The British media enjoyed that and liked it when we participated. I always was greatly impressed by the quality of British television and documentaries. I was less impressed, in general, with the quality of British newspapers.

Q: If you were instructing somebody to go out at that time, what papers would you say you should watch?

OGDEN: The Financial Times, Business Week and the Economist were all must reading for the Economic Section.

Q: How did you find as far as being an embassy officer, could you afford London?

OGDEN: It was a problem. We were alright but a lot of the junior officers and secretaries had real financial problems. They often had to live in the outskirts of the city which meant a long commute to work. The housing situation was not ideal. Apartments that were supposed to be furnished, for example, were only half furnished and there were long waits to get into housing. That was a factor in Post morale.

Q: Did you find from your perspective that you wanted to keep in touch with the media types, or was it terribly important?

OGDEN: Oh, yes, absolutely. There were a lot of media people. I remember Bill Keegan

was a particular friend of mine. Journalists were writing books about Thatcher and about economic policy in general, so that was very helpful. I frequently would have lunch with journalists of one sort or another to discuss issues. *The Financial Times* had a lot of very good economic journalists and I stayed in close contact with them. The FT also had great parties.

Q: Are there any other issues or subjects we should talk about your time in London?

OGDEN: There were four or five big events that occurred while I was there that are worth mentioning.

One was the Libyan air raid in response to Qadhafi's sponsorship of terrorism. Thatcher showed a lot of political courage allowing us to use bases in Britain.

The British election of 1987 was a big event. Mrs. Thatcher won her third consecutive term by a wide margin. I believe she was the first British Prime Minister ever to accomplish that.

Then there were the American elections of 1988 won by George Bush. The embassy put on a great political party during election night and several British Cabinet members showed up.

Of course, I remember the Pan Am 103 incident with great sadness. The embassy had a special team which worked on that almost around the clock for many days and weeks.

Finally, I remember well when Bush's new Ambassador, Henry Cato, presented his credentials to Queen Elizabeth. We drove to Buckingham palace in a horse drawn carriage. Cato fed the horses carrots before we left.

Q: When you left in 1989, whither?

OGDEN: We left in the summer of 1989. I came back to the Department and began a three-year tour as the Director of the Office of Canadian Affairs.

Q: Canadian Affairs at that time was in the European Bureau.

OGDEN: Canadian Affairs at that time was definitely in the European Bureau. No thought then was being given to switching Canada to the Latin America bureau.

When I took over, the Conservatives under Brian Mulroney were governing Canada. I believe Mulroney recently had been elected to a second term. The Bush-Mulroney relationship was very close. In fact, we seldom have had such close cooperation from a Canadian government. But Mulroney's popularity started to fade notably during his second term.

At the time, Canada was going through one of its periodic constitutional crises. In 1987, a

Meech-Lake Accord was negotiated to enable Quebec to finally sign the Canadian constitution. But the agreement wasn't signed by the necessary provinces. So the government tried to work out another broader constitutional package. By that time, however, Mulroney was losing popularity fast and western Canada was nearly in revolt over the whole process.

Q: I think the Maritimes wouldn't go along.

OGDEN: Exactly.

Q: The Canadian-American relationship is probably one of the most touchy ones that we have. We are so close but it's sort of like siblings, lots of arguments. What did you do as the Canadian Affairs Director?

OGDEN: The bilateral relationship is very deep and complex. It covers a broad range of issues such as immigration, trade, environment, security, fishing and even Indian matters. Most of the issues are highly political so there is strong Congressional interest on both sides of the border. Then we sought Canada's support on international issues such as peacekeeping, the Gulf war, the Middle East, etc. Also, the Canadian relationship was sometimes difficult to manage because of the asymmetries involved. Canadians are extremely sensitive about all U.S. policies while we tend to take Canada for granted.

Q: Did you find yourself in the role of running around saying, "For God's sake, pay attention" to the North within the corridors of the State Department?

OGDEN: Yes, it was partially that way. Canada was hardly at the top of the Bureau of European Affairs' priorities at that time. On the other hand, Ray Seitz was the Assistant Secretary. He had served in Canada and knew the issues and problems very well. The Canadian Ambassador probably had more and easier access to senior USG officials than any other diplomat. But I think there is some truth to the old saying "the two people who care most about Canada are the President of the United States and the most junior officer on the Canada desk."

Q: On the security side, you had one big thing during this time and that was the Persian Gulf War. Did that involve Canada at all?

OGDEN: In general, the Canadian defense effort is pretty minimal. They feel secure with the U.S. nearby and put their resources in other areas. But the Canadians were very helpful in the Persian Gulf crisis. Indeed, as I have mentioned, Mulroney's support for U.S. international policies was exceptionally strong.

One negative point that came up was Canada's decision to pull its forces out of the NATO structure in Europe. Of course, Canada did remain a prominent member of NATO. We were disappointed because if all allies took that action, the alliance would not be strong and the burden on the U.S. would be unfair. The Canadians felt those forces could make a larger defense impact at home.

Finally, the North American Aerospace Defense Command (NORAD) is always a big issue in our defense relations with Canada. The Canadians are an integral part of this Command which provides early warning of hostile missile launches. I visited the Command in Colorado and it was interesting to see U.S. and Canadian officers working together.

Q: I'm told that from time to time you will find a Canadian general sitting in whose the duty officer, more or less, who is in command of North American defense.

OGDEN: Yes, I suppose that is true. Although I am sure that any decision to take action in response to a threat would be made by an American.

Q: How about our posture and how much are we getting on the security issue towards Canada? Are they getting out? The Canadian armed forces are getting smaller and smaller and less committed. It seems to be sort of a peace keeping force, the equivalent to Sweden or something like that. If you don't have a significant military force and you are dealing with people at the Pentagon and elsewhere, pretty soon you don't have anything to add. You say, that's fine, "You do your thing because we couldn't care less."

OGDEN: Well, I think there is some truth in what you say. The Canadian force structure is very small. Their primary input is in U.N. peacekeeping and other such activities. The U.S. has been disappointed in the Canadian defense effort in part because of the burden sharing debate. If Canada spends so little on defense, how can we convince the Europeans and others to keep up a sustained effort.

On the other hand, even Canada's small defense effort does have strategic value. I believe Canada's submarine fleet plays an important role in patrolling northern waters. Canada's geography is critical in NORAD's early warning system and several key facilities are located in Canada. Finally, Canada's support in any international crisis is always very important politically, even when the actual military contribution is small.

We have a useful structure for sharing defense information at the highest level. The Permanent Joint Board on Defense meets several times a year. Senior U.S. and Canadian officials participate and exchange ideas and information on defense issues.

Q: Moving over to the political side, I can imagine it would be terribly sensitive to sit down and do what any logical country would do and say, figure out what do we do if Quebec splits apart, if Quebec splits off? At the same time, just to come up with a document like this, would surely get leaked and would be earth shaking in Canadian affairs. This is what the United States is planning to do. Were you dealing with this sort of as an unspoken policy, or did we have an idea of what we would do?

OGDEN: The issue of Quebec's role in Canada and possible Quebec independence always comes up in Canadian affairs. You recall that there was a referendum in Canada on Quebec independence in 1980. After the breakdown of the Meech-Lake Agreement, it

looked like Canada was headed for another referendum in the early 1990s. Of course, we frequently did contingency studies about possible Quebec independence because such a development would have a big impact on the U.S. But I would classify them as relatively routine and on-going. We did always classify the studies top secret because we didn't want to get involved in any way in Canada's debate about Quebec. Our standard guidance was that the U.S. was happy with a "strong" and "united" Canada.

Q: You have to be ready.

OGDEN: ...you have to be ready if something happens. You have to be prepared with these studies even if you don't anticipate any significant change.

Q: How would we treat an independent Quebec?

OGDEN: As I recall, there were several kinds of issues that came up. In the trade area, how would Quebec relate to the bilateral trade agreement or to NAFTA. In the defense field, what about Quebec and NATO? What about bases in Quebec? How would Canada's debt be divided up between Canada and Quebec? These were the kinds of problems we looked at.

Q: In other words, it was not an automatic given that if Quebec splits off, all the basic treaties have with what is now Canada would apply to Quebec.

OGDEN: In the studies, we tried to identify the issues rather than propose the solutions. I don't think anyone could say for sure how all those problems would be worked out in the event Quebec ever did become independent.

Q: How did we view the leadership of Quebec, particularly the Quebec independence people?

OGDEN: At that time, the premier of Quebec was Robert Bourassa. The leader of the Parti Québécois was Jacques Parizeau. Both these men seemed rather moderate and reasonable. After the radicalism of the 1980 referendum, Quebec had made great economic and political progress in the 1980s. The French solidified control of business and commerce and the province gained much greater autonomy from Ottawa. So greater "normalcy" prevailed. While the debate over Meech Lake got pretty heated, there was very little violence. We had normal and cordial relations with both Bourassa and Parizeau.

Q: Were they working on the Meech Lake Accord? Were we watching ourselves to keep out of it?

OGDEN: Well, I don't think anyone stayed totally out of the Meech-Lake process. Of course, we had no official comments or views on the Meech Lake accord. But American businessmen, scholars and even government officials all found ways to express their views privately. After all, it was very important and we all were hoping that Canada once

and for all would be able to solve its constitutional problem.

Q: What was the feeling you were getting about Brian Mulroney at that time?

OGDEN: Americans really liked and respected Brian Mulroney. He gave us strong support on international issues. He spoke up and defended the United States very much along the lines of a British Prime Minister. Moreover, Americans gave Brian Mulroney credit for promoting free trade and liberal economic reforms in Canada.

In the early '80s, Mulroney took the lead in promoting a bilateral U.S.-Canadian trade agreement. This approach went contrary to Canada's history of avoiding close trade agreements with the U.S. Mulroney wanted to cement the liberal changes in the Canadian economy and to ensure that Canada would not be hurt by possible future U.S. protectionism. He fought and won a second term on the free trade issue and paved the way to begin negotiations on NAFTA.

Mulroney's only problem was that during his second term no one in Canada seemed to like him very much. The Canadian's loved the free trade agreements but they didn't love Mulroney. I guess the problem was the extended and confused and failed Meech Lake process which Mulroney authored. In the end, the country got sick of Quebec and Mulroney. In the next election, the conservatives won only a few seats in parliament marking one of the biggest political debacles in Canadian history.
Q: There were all these major issues. How about the cultural battle, magazines, advertising, the whole thing? How was that during your time?

OGDEN: Culture was always a very sensitive issue in Canada including during my period as Canadian Affairs Director. The Canadians feel overwhelmed by U.S. broadcasts, magazines etc. They constantly devise schemes to try and protect and advance Canadian cultural content whether in books, movies, TV, or whatever. This was always an underlying theme, but I don't recall any big crises?

Q: What about NAFTA?

OGDEN: Well, the negotiation of the NAFTA agreement was a big issue during my tenure. We used the U.S.-Canadian bilateral agreement as the model. As I recall, at the trilateral negotiating sessions, the Canadians often played a pretty laid back role, protecting their interests but letting the U.S. and Mexico take the lead in hammering out agreements. I think Canada was very pleased to see the agreement expanded and felt it did not have a great deal to lose.

Q: Cuba

OGDEN: Well, we certainly had differences over Cuba. Not so much over ends as over means. The Canadians favored engagement and we of course maintained the embargo. The Canadians have some investments in Cuba. The big problems came when we tried in any way to penalize Canadian companies doing business in Cuba. I do think Canadian

governments, as a rule, accentuate their differences with us over Cuba to show that they don't always follow the American lead.

Q: Were we watching at that time the transformation of Canada, particularly the west? Lots of people from Asia were moving in and all. It was going to be a different Canada coming up.

OGDEN: The West in Canada had long felt resentful of Ottawa and Quebec, overtaxed and underrepresented politically. The failed Meech Lake process and the perceived kowtowing to Quebec interests seemed to be the last straw. Preston Manning and the Reform party swept out of the west to become the major opposition party. The Reform party represented western views and interests. It preferred to see Canada remain united, but was prepared to let Quebec separate before offering any more deals.

Then as you mention there was the question of immigration. Canada always has been underpopulated with most people living along the border with the United States. Chinese immigration certainly changed the face of British Columbia and gave it a very different feel. The immigration issue is complex in Canada and represents a careful balancing of the interests of Quebec and the other provinces. Quebec, I believe, requires that a certain percentage of new immigrants speak French.

Q: How about dealing with the fact relations between British Columbia and the state of Washington and across the 49th parallel? These relationships between the States and all, there's the north-south thing that bypassed Ottawa and Washington.

OGDEN: Yes, that is a fact. Several western provinces point out they have more contact with states across the border than with Ottawa or Quebec. At the height of the Manning mania, there even was talk of possible secession of the west. But a lot of this talk, I think, just represented the constant bickering that goes among the provinces. Canadians are not anti-American, but they find their strongest identity in being non American. I don't think many Canadians would readily sign up for joining the United States.

Q: They are all down in Florida and North Carolina.

OGDEN: That's right. They are in Florida during the winter, shopping across the border, or getting good jobs in New York and California. Indeed, this was one of the arguments Canadian nationalists made against the bilateral free trade agreement and NAFTA. They said once these agreements were signed, Canada would lose its identity and just become the northern part of the United States. But it hasn't worked out that way. There is a great deal of cross border travel, but Canada is still separate and different.

Q: Did you find that the intellectual class, mainly concentrated around Toronto and Ottawa and the French one in Quebec, were more or less anti-American? I mean the writers, the journalists, and all that?

OGDEN: I think there was some anti-Americanism in Canada but also a lot of support

and friendliness. For example, there is a strong reaction in Canada to gun violence, drug problems, and school shootings in the United States. Canadians were sensitive to the worst aspects of U.S. culture and determined to keep Canada untainted. On the other hand, Canadians are rather jealous of U.S. economic achievements.

I didn't find much anti Americanism in Quebec. Quebec citizens seemed to have gained a lot of self confidence. They tended to be rather outward looking and often quite willing to try out American ideas. Also, of course, Quebec had enormous business interests selling the U.S. water, electricity and other resources and products.

Q: As an economist, were you looking at things like the Canadian medical service, which was all inclusive and all and other factors of wondering about the sustainability of much of what the Canadians have done. Welfare is maybe not the right term but a much more a state that has support systems.

OGDEN: In Canada, there is quite a long history of welfare services and close cooperation between business and government. In such a cold and difficult climate, the government often led the way with programs and private business shared in the enterprise. Thus most Canadians have a positive view of government and are very supportive of the public health system. Key problems for Canada are decentralization and the dispersion of power to the provinces. It sometimes is very difficult to know who makes policy in Canada, the Federal government or the provinces.

Q: A question I asked you about working in London. What was your impression of the American embassy at that time and how well it operated within the Canadian context?

OGDEN: I think that we had a very good embassy team up there. Ed Ney was the ambassador during my whole period. Dwight Mason was the DCM, and then Todd Stewart took his place about halfway through. Larry Taylor was the economic minister counselor, so I think we had a really top notch team. I also was very impressed with the reporting we were getting from our Consulates including particularly Quebec.

Q: Look at the other side. How effective do think the Canadian embassy was in Washington at this time?

OGDEN: Derek Burney was the Canadian ambassador in Washington. He had some of the best access of any diplomat in town, in part due to his own presence and also because Prime Minister Mulroney had been so helpful. The political minister, Mike Kergin, was especially articulate and brilliant and helpful. He is now the Canadian Ambassador in Washington. The Canadians built a beautiful embassy on Pennsylvania avenue which also helped. They had easy access to Congress and used that access to their advantage.

Q: Are there any other areas that we should cover?

OGDEN: I would like to think that I made a contribution to negotiating a new U.S.-Canada civil aviation agreement. I genuinely was appalled when I returned from Europe

and found that we didn't even have direct air service between Washington and Ottawa. Now we have a new agreement and all kinds of direct services between cities in the U.S. and Canada.

Q: What was the reason?

OGDEN: I think the Canadians were a little worried about getting overwhelmed by U.S. carriers. And some U.S. officials felt that there might not be enough business. But of course, the free trade agreement and NAFTA led to greatly increased business demand for air services. As far as I know, the airlines flying between Canada and the U.S. are doing well.

Q: How about the environment?

OGDEN: Cooperation between Canada and the United States has been a model for the world. You recall that Canada had long been concerned about acid rain. Around 1989, we signed an acid rain agreement and Congress passed legislation providing for considerable funding to handle the acid rain problem. Together, Canada and the U.S. have made great progress cleaning up pollution in the Great lakes. We also have made good progress reducing water pollution in rivers flowing across the borders. Various boards of experts have been constituted to press forward on necessary programs and to try to take the politics out of environmental issues.

Q: How about natural resources, oil and water?

OGDEN: Well, Canada is a major source for the U.S. of oil, water, electricity, bauxite, timber and a variety of other resources. We've had some big problems on specific issues like softwood lumber. But given the size and complexity of the resource and trade relationship, the problems have been quite limited.
Q: Lastly, what about fishing?

OGDEN: The fishing relationship with the Canadians is a difficult one. We have issues and disagreements over Atlantic fisheries and also between Washington and British Columbia. I can remember many late night cables and phone calls among U.S. and Canadian authorities trying to work out some fishing problem. But we always found an amicable solution.

Q: In 1992, wither?

OGDEN: In the summer of 1992, I went to work in our embassy in Madrid, Spain. I was there from 1992 to 1995. It was an interesting time to arrive in Spain because of the Olympics going on in Barcelona. We cooperated closely on a variety of security issues. Also at the time, there was the World's Fair in Seville and the celebration of the 500th anniversary of the discovery of America by Christopher Columbus. It was sort of a big party to celebrate Spain's emergence from isolation to normalcy and influence.

The Spanish Socialist Worker's Party (PSOE) had been in power for ten years. Prime Minister Felipe Gonzalez was first elected in 1982. When I arrived, Gonzalez was serving his third term. During that time, Spain had joined NATO, joined the European Union, reformed the military and created a strong economy. There was a lot to celebrate and Spain's prospects looked very good.

Q: What was your job?

OGDEN: I started out as the Political Minister-Counselor under Ambassador Richard Capen. He left in spring 1993 to make way for the Clinton team and Ambassador Richard Gardner. I served as Deputy Chief of Mission for about nine months pending the arrival of Ambassador Gardner.

Q: Wasn't Spain sort of out of your way?

OGDEN: Not really, because I had a Spanish and Latin American background. Then, I'd switched to Europe so I was familiar with European issues. Also, Spain was a country in which I had always wanted to serve.

Q: How did you find Spain during this time? What were your impressions of how it was beginning to fit into Europe?

OGDEN: In general, I would say Spain was about as pro-European as possible. After years of isolation, Spain had joined the European Union in 1986. Europe was viewed as a touchstone of Spanish identity and a key to Spanish stability. Spain always promoted Mediterranean interests within Europe. It successfully lobbied for cohesion funds for the poorer countries. It generally favored "deepening" of the Union over "widening" to include Eastern Europe. And it always sought to ensure that Spain was considered one of the "core" countries of Europe.

Q: Was there any concern from the Spanish perspective about, I remember by this time we'd had the reunification of Germany and the falling apart of the Soviet bloc?

OGDEN: Of course there was a lot of interest. But Spanish concern at the time was focused more directly on the Mediterranean and North Africa. They viewed the biggest threat as coming from that region. Relations with Morocco were good, but there was concern about the Spanish enclaves of Ceuta and Melilla. The state of near civil war in Algeria was very troubling to the Spanish. Usually, the Spanish were interested in regional approaches to North Africa and promoted the idea of a Conference for Security and Cooperation in the Mediterranean. More broadly, Spain had been quite pro-Arab. It was one of the last European nations to recognize Israel though relations with Israel were then close and normal.

Q: What was the concern over Algeria at the time?

OGDEN: Spain got a lot of energy from Algeria and as I recall had several major investments there. The government was concerned that the vicious Fundamentalist attacks in Algeria would spill over into Spain in the form of terrorism, or in other ways

destabilize Spain. Spain frequently took the lead to seeking to promote better relations between the Algerian government and the Fundamentalists.

Q: What about security issues more broadly?

OGDEN: You recall that there was a referendum on Spanish participation in NATO in 1986. The Spanish voted "yes" to NATO, coupled with a reduction in the US military presence in Spain. Tough negotiations resulted in our virtual withdrawal from the Torrejon air base outside Madrid. That left the big naval base in Rota and the Moron air base in central Spain. The Spanish were very helpful in the Gulf war, and while I was there we never had a problem using the two remaining bases for emergencies.

Q: Torrejon was shut down while you were there?

OGDEN: Yes. We essentially withdrew from Torrejon while I was there. That was tough for some members of the American community. The commissary was closed and there were a lot of other changes involving housing and schools etc.

Q: How did you deal with the Spanish government at this particular time? What kind of government was it?

OGDEN: Felipe Gonzalez was the Prime Minister of Spain. When I arrived, he was in his third term. Elections in Spain were held in 1993. By that time, Spain was facing some serious economic problems and senior PSOE officials were being accused of corruption. Moreover, there was serious infighting between the hard liners led by Alfonso Guerra and the liberals led by Carlos Solchaga. In the end, Gonzalez won an unprecedented fourth term, though he had to form a minority government with support from the Catalan and Basque regional nationalist parties.

Q: How were bilateral relations?

OGDEN: They were very good and got better while I was there. But there was still a lot of popular mistrust of the United States in Spain. Some of the Socialists still blamed us for supporting Franco for too long. And most Spaniards still remember the Spanish-American war and the loss of Cuba with bitterness.

Q: How did you operate in Spain? As political counselor and then as a DCM, where would one go?

OGDEN: We had a lot of dealings with political leaders. We sometimes attended sessions of the Spanish parliament and invited Spanish politicians out to lunch. Of course, we had a broad range of contacts with the Spanish Foreign Office at all levels. We were following Spanish foreign policy issues closely. Then, we had frequent contacts with the press and various think tanks. We also had some contact with cultural leaders and students. We traveled a lot and sought to meet provincial and local officials. Then we also had useful talks with business and financial leaders.

Q: You were there when the Clinton Administration came in. Did Clinton have any contact. Was Spain on his agenda in 1993?

OGDEN: Not so much. The Clinton team was focusing on domestic issues and the White House was pretty disorganized. I remember that King Juan Carlos had a good visit, but we had a lot of trouble getting the White House to focus on a date for a visit of Prime Minister Gonzalez. That was too bad because the Spanish were looking for a chance to improve relations with the U.S. Eventually, as I recall, Gonzalez did have a productive visit but it took time.

Q: Who were your Ambassador's again?

OGDEN: During the last of the Bush administration Dick Capen. Then during the Clinton administration Dick Gardner.

Q: Well, Gardner had certainly been around. He was my ambassador in Italy and had been assistant secretary for international affairs. How did he operate in Spain?

OGDEN: I think he did a terrific job. He was a real intellectual and so there was a lot of work for the embassy staff. He asked a lot of the embassy officers, but also gave them great support. Because of his background and knowledge, he did a lot of public speaking and attended a lot of conferences even outside of Spain. He was so well known that he gave greater prominence to Spain internationally and within the Clinton administration. I think the Spanish recognized this and gave him a lot of credit for it.

Q: Just as Canada was always looking for recognition more in the United States than we were probably willing to accord it, I would imagine Spain had been so far out of things that part of your effort, as you said, would be to say Spain is really part of Europe. Most people look at Britain, Germany and France with a little to Italy and the other countries so far in between. Spain was just off the radar.

OGDEN: Yes, we did have trouble initially getting Washington to focus on Spain. But I think gradually Washington began to appreciate Spain's growing importance. Spain's economic growth had been very strong, and there was even talk about Spain's joining the G-7. Spain was playing a leading role in Europe, and a big part in Bosnia. We were cooperating closely with Spain on Latin American issues. Our bases in Spain and the bilateral security relationship generally were very important. And we were cooperating closely on narcotics issues.

Q: Were there any major issues that you were dealing with? You had the security issue.

OGDEN: Well, the political section covered a lot of ground. We reported on domestic politics including the 1993 election, regional political issues and the labor scene. We had security issues including Spain's role in NATO, the bilateral relationship and Spain's important role in Bosnia. There was Spanish foreign policy to follow including Spain's

role in Europe, North Africa and growing cooperation in Latin America. We reported on the Ibero-American summits and Spain's activities in El Salvador, Nicaragua and Guatemala. We also were active in joint efforts to knock out narcotics trafficking.

Q: What about Cuba? Was there much support for Castro?

OGDEN: No, I don't believe there was much support for Castro. But the Spanish still feel deeply about Cuba, and there are a lot of bilateral ties still left. Like Canada, Spain felt engagement was the best path to promote reform in Cuba and ease the suffering of Cubans. There was a significant Cuban exile community living in Spain. The Spanish had significant amounts of investment in Cuba. I think there were a number of efforts to get Castro to come and retire in Galicia, but he didn't seem very interested.

Q: Were you watching the Spanish military, or by this time, figured that the military was not going to be a political factor?

OGDEN: By this time, the Spanish military had ceased to be a political factor. But we were watching very closely the important Spanish role in Bosnia as a peacekeeping force. There were over 1,000 Spanish peacekeepers in Bosnia and the Spanish armed forces suffered several losses. The Spanish were justifiably very proud of their role in Bosnia. I remember the King visiting the Spanish contingent. This was a new task for the Spanish military; staying out of domestic politics, but participating actively in western defense and peacekeeping activities.

Q: I take it that while you were there, there was a very positive feeling towards this country.

OGDEN: Yes. Spain had transformed itself into a stable democracy and a close ally. In the next election, the Conservative Party (PP) won a large majority showing that Spain can peacefully transfer power. This was a big step because the PP had never won an election before. It was always successfully attacked as having too close links to Franco and the past. But a new generation of young PP leaders now has overcome that legacy. Spain's prospects are very good. Its biggest problems are ETA terrorism and managing regional issues and differences.

Q: In 1995, what happened?

OGDEN: Then, in 1995, the rest of the story is easy. I returned to Washington, DC and retired. It was a great fun career.

Q: I want to thank you very much, Dick.

End of interview