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

AMBASSADOR VIRON PETER VAKY

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INTERVIEW

Q: Today is January 31, 1991. This is an interview with Ambassador Viron Peter Vaky which is being done on behalf of the Association for Diplomatic Studies and I am Charles

Stuart Kennedy. Mr. Ambassador, I wonder if you would give me a little of your background--kind of where did you come from?

VAKY: I was born in Texas in 1925. I am the son of Greek immigrants which explains my name. The name Vaky was invented by an immigration inspector on Ellis Island. My father immigrated when he was about 18 years old at the turn of the century. The name originally is Varvakis, but going through the papers the inspector wrote Vaky and that is what my dad took. My first name which only my family uses, is the Greek pronunciation of Byron. My mother wanted to name me after Lord Byron which the Greek would pronounce Viron (Veer-run). My mother invented what she thought was an English spelling of the Greek pronunciation. But everybody has given up on that and call me Peter.

I was born in Corpus Christi, Texas. My father immigrated down from New York, going first to Mobile, Alabama where he met my uncle before he met my mother; then to Shreveport, Louisiana and then to Corpus Christi. He went to Corpus Christi in 1920, because my mother was in poor health and it reminded her of her home in Samos on the seashore. So I was born there and lived there until I went to college.

When I was in high school I had intended to study law. I had an English teacher who was one of those teachers that influences you a great deal. He asked me why I wanted to study law. Did I want to practice law? I said, "Well, not particularly, I am interested in politics, government and things like that." He said, "Well, have you ever thought about government service? The diplomatic service?" I said, "No I haven't." So he gave me a book to read by Hugh Wilson, one of our ambassadors during the inter-war period. He had written a memoir called "The Autobiography of An Ambassador" or "of a Foreign Service Officer"...I can't remember the exact name of it. He described his first tour of duty which was in Guatemala. At that time the pouch would come in by ship to Puerto Barrios on the Atlantic coast and he would go by horseback to get it. He said that it would come in on a Sunday and if he worked very hard all the work would be done by Wednesday and he had nothing to do but travel around the country and wait for the next pouch. It sounded interesting.

So I thought about it. I got a catalog from Georgetown's School of Foreign Service, and looked at it and decided that I would go there and aim at the Foreign Service and see what happened. Well, then the war came; this was in 1941. I had done some college work at Corpus Christi when I got out of high school before transferring to Georgetown in 1943. I was drafted in 1944 and when I came out of the army in 1946 I wasn't sure what I was going to do. I went back to Georgetown and finished up my Bachelor's degree, and thought that maybe I would teach. I applied to the graduate school of the University of Chicago, was accepted, and entered there in 1947. On my way to Chicago from Corpus Christi I stopped off in Dallas where they were offering the Foreign Service exam and took it. I took the written exam which in those days was three and a half days.

Q: I remember very well because I took it somewhat later.

VAKY: After taking the exam I went on to Chicago and studied for a Masters. In April or early May 1945 I came up for the orals, having passed the written. I came to Washington and took the orals. I remember the panel was chaired by old Joe Green, who was truly a great fellow. I think it was a tough exam. I was told that I had passed and that I could expect to be called up some time within the next few months. Well, that was just about right because I was due to get my degree in September, 1948. So I went back to school and finished up my degree and waited. Somewhere around September I was advised that there were budgetary problems and they probably wouldn't do anything until June 1949 or the next fiscal year. I decided that since I had passed the exam I would go in, so I went back to Corpus Christi to wait. I was called up in June, 1949.

Q: *While you were in Corpus Christi growing up, what was the environment like? Were you taking Spanish, was Mexico a real presence?*

VAKY: No, not in those days. The sensitivity to Mexico, the importance of Mexico wasn't really felt. Corpus Christi was, when I grew up, a small fishing and shipping village. Basically agriculture. Then they started finding oil and gas all around it in the thirties and the naval air station was put in in 1941...

Q: But there wasn't a particular Mexican orientation?

VAKY: There was a large Mexican population. I did study Spanish because that seemed a useful language to take. Yes, I suppose one knew more about Mexico than one would have in any other part of the country, but I can't remember that it was a particularly international environment or anything like that. I was interested in politics and foreign affairs but I am not sure why.

Q: *What was the situation when you came into the State Department? Was there a training class?*

VAKY: I was sworn in in June 1949. The class, which was somewhere around 20-23 people, was the so-called A-100 course, an introduction to the Foreign Service given at the Foreign Service Institute. In my class were people like Phil Habib; Bill Buffum, who has been up in the UN's Secretariat since; Patty Byrne, who I think is still in the Service-there were three women officers. This was again 1949 and we were in the early years of the post-war period. The head of the A-100 course was Bob Hale, who was an old consular officer who had served in China. They drilled you a great deal on the specifics...what is a despatch, how do you write it...on the mechanics and skills rather than politics. It was a very useful course.

Q: If you feel that you can, I wonder if you would describe the outlook of the class.

VAKY: I think there was general optimism. We felt we were important in the world. I wouldn't say that everyone thought we were number one, etc., but the feeling that this was

the beginning of our century, so to speak. There was a lot of eagerness and idealism. Go out and help the world, there is lots to do.

Q: Was going out to help the world just promoting American interests?

VAKY: It was promoting interests, but American interests were seen in a very altruistic light. For example, development was a very important thing in people's minds. Those interested mostly in Europe were obviously caught up in the Cold War relationship. In my case, and in a few of the others, since my interest did lie in Latin America having studied Spanish, what we now call the Third World was of interest; what happened in those areas. Interest would tend to focus on economic subjects, social subjects. Security hadn't yet reached the heights it reached a little later, but even there you did have security considerations. So it was kind of a world view.

Q: I have you going to Guayaquil, Ecuador as your first assignment. You were there from 1949-51. What were you doing there?

VAKY: I did everything. I think there is a lot of luck in the Foreign Service. My boss there was a person I think back on with a great deal of fondness, Francis Styles, who was an old China hand. He did what I wonder if they do any more--took the young officers in hand and was sort of a father confessor. He rotated me through everything. It was a relatively small post. I was the visa officer for a period which meant I was the consular officer doing both protection and visa work. There was one case where we had a tuna boat explode; consulates took care of shipwrecked seamen in those days. I did administrative work, economic reporting, some of the security work, etc.

Q: What was your impression of this segment of Latin America? It was the first time that you had been in Latin America.

VAKY: It was all fascinating. This was an interesting society. Ecuador was not an earthshaking country but it was an interesting society to look at. The opportunities to study it and understand it were useful. The fascinating thing about the Foreign Service is just that, the opportunity to meet the significant people in whatever society you are in. Ecuador is divided between the coastal areas and the highlands. All the revolutions used to start in Guayaquil; which was the country's commercial center.

I met a lot of famous people. I have a lot of good friends. The President of Ecuador when I was there was Galo Plaza. Our ambassador was Paul Daniels, who is an interesting person in his own right. He was preceded by Ambassador John Simons. I looked upon it as a good post to break into the Foreign Service. You got a good view of what it was going to be like.

Q: *Did you find that in Ecuador you could easily meet the people within the society?*

VAKY: There were no political strictures on that and the people were friendly. There was no anti-Americanism.

Q: Did you get any feel about the relationship between the consulate general and the embassy in Quito? Not only was there a cultural division, coast vs. highland in the country, but wasn't there a problem with the embassy as well?

VAKY: Not particularly. You didn't actually feel rivalry in my day in Ecuador and for a lot of interesting reasons because of the circumstances. Most of the economic work that came out of Ecuador and sent to the Department, came out of Guayaquil. Quito was the political capital. So the major annual economic report and all that stuff was done in Guayaquil. Relationships with the embassy were really quite good. The pouches would come down on Panagra Airlines to Guayaquil. In those days they were flying prop planes, DC-3s, and you couldn't get into Quito all the time. Quito sits surrounded by snow-covered peaks. So we picked up the ingoing and outgoing pouches and would take turns going up to Quito. You would travel Panagra. The Panagra people were great friends of ours. You would go through the mountain passes; DC-3's couldn't fly over the peaks and into Quito as they do now.

I had no sense of any friction, the people were very cooperative. I have a long friendship that comes out of that because George Vest was the political officer in Quito at that time and our families became great friends.

Q: How about dealing with the Ecuadorian authorities? For example, the tuna fish explosion and stranded seamen, etc.

VAKY: You do it according to whatever the problem is. In that particular case...I just laugh at it because it was my first crisis. On a Saturday morning the Braniff manager, who was very sharp, got me out of bed about 6:00 AM. I don't remember the American company, maybe the Star Kist people, had a modern vessel on its maiden voyage and it had exploded. The Ecuadorian coast guard had picked up about 15 seamen and only one or two of them were Americans. Most were Portuguese; however, they qualified as American seamen. The Braniff manager said that Braniff would take them back. He had contacted the tuna company before Pan American realized what was happening and had gotten their okay. They would pay the passage. So, when he got to me he said, "We have got the company's authorization, and I guarantee their fare. What we need are documents." The local coast guard authorities were in Guayaquil so there were no immigration problems. You just had to let Quito know what was happening.

So I went down to the office and got out the manuals to see how you do a crew list. By noon they were out. They had all piled into the consulate which was on the second floor of the Ford agency at that time. They were interesting guys. I don't know if you know about tuna fishing, but before they had all this modern equipment they would lower a

platform off the stern of the boat and guys would just sit there with unbarbed hooks and toss the fish into the hold. These Portuguese fishermen had shoulders like that.

We dealt with questions about free entry, all the customs stuff, because Guayaquil was the main port. Equipment and household goods going to Quito had to go through Guayaquil. We handled all that. So the administrative function was also very enlightening. We were the customs broker. You would have to do all the paperwork, free entry would be obtained by Quito and sent back to you, and you would ship the goods up on the railroads. If there was a government policy question, obviously that was done by Quito. But on the financial and trade side, most of the business was concentrated in Guayaquil. The coffee and cacao people who ran those businesses, private and government, were centered in Guayaquil.

Q: Panama hats, were they still...?

VAKY: Yes, as a matter of fact I bought a Panama hat. They were woven in the highlands south of Quito.

Q: You got both a positive and a good broad experience in the Foreign Service at your first posting.

VAKY: It was the only time that I did visa work. However, it was interesting. I am not sure I would have wanted to do it all the time. You had not only Ecuadorians, but there were a lot of Europeans who had come to Ecuador during the war and were now immigrating. We had quota immigrants lined up...Poles, Germans, etc. So you had a lot of immigration work, a lot of non-immigration work. In fact, we did most of the visa issuing because we were the exit port. We did all the immigration stuff for the country. We had some protection work, not a great deal, but some. I found it very useful to just look at the range of work because at Guayaquil you did reporting, administrative, and consular. I am very grateful for my boss having taken the trouble to make sure I was rotated and trained.

I remember him coming out...the first time I wrote a despatch, I think I wrote it "dispatch" and Francis Styles came to me and said, "I know that is the correct spelling in many places, but in the Department for this purpose we spell it 'despatch."

Q: Until we got rid of it, the despatch always worried me because I never was quite sure how to spell it.

VAKY: Those were the days when you said, "I have the honor to report."

Q: Yes, absolutely. For the record, the despatch was a written form of communication that went by pouch rather than telegram.

VAKY: So it was very helpful from all of those angles. The country was interesting and friendly.

Q: Were you married at the time?

VAKY: I was newly married. I spent my honeymoon in Guayaquil having been married a week before I went down. My wife always says that the reason the marriage lasted was because she couldn't afford to go home to mother.

Q: Well, then you moved from one side of the South American continent to the other and went to Buenos Aires from 1951-55, a good solid tour. What were you doing there?

VAKY: That assignment was interspersed with what was then called the Intermediate Course in Foreign Affairs at FSI, which was about a three month course. It was being designed then for junior officers. Although I wasn't a junior officer they were filling it to try it out. It was a useful course. You went up several notches to look at questions like economics...how do you cover economics? what policies are involved? etc. It was at that time run by Norman Burns who had served in the Department of Commerce. It again was an interesting class. George Vest was in that class. I was there for three months and then went to Buenos Aires.

Q: What were you doing in Buenos Aires?

VAKY: Economic reporting. I was assigned as second secretary, economic.

Q: What was the political and economic situation of Argentina then in this early fifties period?

VAKY: This was during the end of the Peron period. Argentina had gone through this whole Peronista period which had had its anti-American tones and Axis sympathies during the war. I arrived in fact while Evita Peron was on her deathbed. She died shortly after I arrived. I never saw her in person, but I did go through the lines to see her bier. That marked an end of an era. The question that was being debated at that time in policy terms was...we had gone through the war, gone through the Spruille Braden business...

Q: Spruille Braden was basically running against Peron. He was our ambassador.

VAKY: Yes, he said Peron was a dictator and shouldn't be reelected and he intervened. Peron very wisely used that, crying Yankee intervention.

But the Peronista period shortly after and through the war was Axis in sympathy. It was difficult and it <u>was</u> a dictatorship. It became corrupt. It had its roots in a social revolution. What Peron did was to energize the working classes through the unions who had not really participated in what had been basically an oligarchic type of system. So there was a revolution in the sense that he gave political voice to people and classes that had really

not been participants in the system. But I don't know that he had any particular philosophy other than he liked power and saw this was a useful vehicle. He passed a lot of social legislation. But the system became dictatorial, oppressive and corrupt and ran into trouble.

So when I arrived it was on its down side. The interesting thing was that not everyone perceived that that was the case. It is only looking back on it that you can see the dynamics. That is the agony of foreign policy. The debate was in policy terms, how should we deal with Peron. Evita had died and took a lot of problems out of the way as far as relationships were concerned. Peron looked as if he was going to be there for a long time. It was a rich country. Should we just keep spitting into each other's eye, or is there something to be done to bring about a rapprochement. And this was debated back and forth.

Q: Where was it being debated?

VAKY: It was debated above my level.

Q: But you were aware of these debates?

VAKY: Yes, because you would discuss it. It would be debated in terms of specific questions or problems. Should we renew cultural contacts with Argentina? Should we seek economic relationships? One major item that came up and did involve me--because I was doing commodity reporting and one of my commodities was petroleum--was the question of whether they would welcome some foreign participation and on what terms, since Argentina had indicated they might welcome some foreign oil companies (oil was a monopoly of the Argentine government, the YPF company). There were American companies still operating: Exxon was still operating under its old agreements. The government didn't nationalize them but the companies couldn't expand. YPF looked around and threw out a tender for bids for service contracts to help them explore. Standard Oil of California was one of the major bidders. There was a long period of negotiation with YPF and the government as to under what terms they could contract with a foreign oil company. It could obviously not be a concession; they were in fact to be simply service contractors. Standard Oil of California was interested because it was a foot in the door and because they were also looking for supplies of oil themselves. I had to do the reporting of what was happening.

That had political overtones.

Q: I am sure it did.

VAKY: So these were the kinds of things that were argued. When I arrived there was no ambassador, Lester Mallory was Chargé. Shortly after I arrived Al Nufer, a career officer, was appointed ambassador. Ambassador Nufer argued that we shouldn't just be stuck in frozen hostility. Regardless of what one thought of the government, it was their

government and there were things of interest that could be done; we ought to be thinking of some type of rapport. About this time you may remember we had the trip of Milton Eisenhower through the area.

Q: Yes. He was President Eisenhower's brother, but also a very well thought of government worker.

VAKY: So in this period, 1952-53-54, the Cold War was beginning to tighten all over, Latin America was becoming of considerable interest to the United States in terms of security, alliance matters, raw materials and all of that. So there was a lot of pressure on both sides. But generally the U.S. government began to move towards an opening. The Standard Oil of California contract was a major part of that underlying economic connection. But at this time and parallel to it, the regime was basically breaking up. You didn't see it but it was becoming corrupt. You could see social dissension. Peron was accused of having orgies with teenage school girls at his presidential quinta. There was a lot of unrest, even among the labor groups. He had a lot of bully boys--we would probably call them storm trooper types at that time--and they used to do dramatic things to try to hold the regime together, such as burn the Jockey Club. The Jockey Club was the epitome of the old establishment and the wealthy elite, etc. They burned that beautiful building with all of the records of the horses, etc.

Then the regime got into a fight with the Church. I am not sure to this day, why they did that. I am not even sure of the proximate cause. The fight with the Church over its role, social policy, etc. became so intense it manifested itself in attacks on the clergy. In late 1954, I guess, there was one bloody night in which these thugs burned several churches. Argentines are very Catholic, although not very religious, and you don't touch the Church. I think that really focused dissent in the military on this situation. It was from that time on that you began to hear from the military, which had been one of his main sources of support, beginning to break away.

So I went through my first coup in Buenos Aires in June, 1955.

Q: *What happened and how did the embassy work during this situation?*

VAKY: No one as I remember predicted the coup. It came as a surprise to a lot of Argentines themselves and certainly to Peron. The first coup was an abortive one and broke out in Buenos Aires in June, 1955 when air force planes suddenly appeared and started bombing the Presidential Palace at mid day. Our offices were on the top floor of the Bank of Boston building which is right off the main plaza where the Presidential Palace, the cathedral and municipal city hall are located. I came down with some friends and we were walking out of the building at noon. With us was Ernie Siracusa, the head of the political section. The first bomb dropped and you could hear the planes coming. Ernie turned right around while the rest of us were just watching and went running up the stairs, not waiting for the elevator, and got on the phone to Washington. He said, "There is something happening here, there is a bombing." This was the first news Washington got...they didn't have CNN in those days. The line was kept open, they didn't cut communications until much later.

Meanwhile we went back in and watched some of this from the top floor where our office was. There was clearly fighting going on between loyal troops in the ministry of defense and apparently naval troops. But most of the army stayed loyal so that by evening the coup had collapsed. It was basically an air force coup with some naval support. However, into the evening we didn't know what was happening. A command post was set up in the Ambassador's Residence which was away from the main fighting. I was on the edges of it. As a young officer I did some gofer work in that office. Later they let us go. We lived out in the suburbs and it looked like it was all over. I got my car and drove home giving a ride to other people. Clarence Boonstra was with me. Ernie Siracusa did most of the work along with Ambassador Nufer. It was over within a day.

Q: Did the United States play any role? Was anybody coming and saying, "Are you with us?" or something like that?

VAKY: Not at this point. Had it gone on something might have happened. It was basically a skirmish. It did happen in September, 1955, a little later. But this was basically a skirmish that surprised everybody. The job the embassy had was to assess what was happening...who was on first base, etc. We did have a consular protection problem. We had a lot of American engineers who had come in under the Standard of California oil contract who were in a hotel on the edge of the plaza. The ambassador wanted to get them out of that area not knowing what was going to happen, so early in the evening consular officers went over to the hotel, where electricity had been cut off, and walked them to the embassy where cars were waiting to take them out to various homes in the suburbs.

I was at the end of my tour at that point. In fact I had already had my assignment, which was as Argentine desk officer. So with the abortive coup and not knowing what might happen as far as getting your stuff out of the country, I was taken up with personal problems making sure my personal effects were being packed and gotten out of there.

I went on home leave. Throughout this period in Argentina the tension was high; you did begin to get the rumors of who was organizing what and what was going to happen. It was pretty clear by then that Peron was probably not going to make it. I assumed my duties on the desk, if I remember correctly, on the 5th of September, and on the 15th of September the revolution broke out in Cordoba and did in fact overthrow Peron.

Q: We will come back a little later for more on your time in Argentina, but now on the desk...for somebody who doesn't understand how the thing works...here you are the desk officer and obviously you are knowledgeable about Argentina at the time, but you are the desk officer and a coup starts. How did the news come to you, how did you react, how did the system react? What were our interests?

VAKY: Well, we had a lot of interests. You know at this point I will have to get anecdotal.

Q: *That is exactly what I would like.*

VAKY: The word came to me through reporting from the embassy. Now remember I had been on the job for ten days. My immediate boss was Livingston Watrous, Pete Watrous. I remember coming in the morning of the 15th and Pete coming into my office and saying, "They have a little trouble up in Cordoba." Initially the news came over the press wires. Right away your first job is to absorb the information, sift it and tell your boss--Maury Bernbaum was the office director; Henry Holland was the Assistant Secretary--what is happening and what does it mean. That is the function of the desk officer, to take that raw material and put it into some form that you can communicate tersely, with as informed a judgment as possible to the boss. It meant identifying people, their biographic data and assessing what the ramifications were in many ways.

The revolution took a week or so and it was a long time before we could see what was happening. Finally the regime collapsed and a junta took over. There was lots of drama in between. The head of the army went to Ambassador Nufer's house and asked for asylum and Nufer said, "We don't give asylum, we don't recognize that, but I will put you in my car and my driver will take you over to the Bolivian embassy which is nearby; they do give political asylum." There was that sort of thing going on all the time.

One concern while you are on the desk is to look at the threads in the big picture and let them know what is happening. Once Peron was out, then your questions and interest turned to who is in and what does that mean. The rest of my tour on the desk was involved basically with the problem of what kind of relationship we should now have with a new regime. And it looked like a good regime.

Q: How did we react emotionally within the State Department apparatus to the fall of Peron? Obviously he had been a thorn in our side and we had been unhappy with him for a long time.

VAKY: I suppose a lot of people were actually relieved. Peron didn't have a lot of fans. There was some concern for the Standard Oil of California contract, but nobody got excited about that, even Standard Oil of California felt it was just an adventure. I think in political terms it was looked upon as probably a good development.

Q: Did we see any of this in Argentina at the time in terms of the Cold War? There was no Communist insurgency?

VAKY: No. The participants in the coup were military with distinguished civic leaders, business interests, political units like the burgeoning Christian Democratic Party. There was no Cold War context at all. The question that came up was what do you do with this new government? It has come in by revolution or coup; says all the right things; and for

the next several years--the rest of my tour there--it turned on the question of basically economic assistance for Argentina. Very shortly after this new government took office under General Aramburu, they set up an economic mission to Washington to ask for help. The treasury had been depleted under Peron and there was a lot of corruption and a lot of needs. The infrastructure was depleted and there were lots of things they had to do. I was at that point for those years immersed in the bureaucratic infighting of dealing with other agencies--Treasury, Ex-Im, Commerce, AID, etc.

Q: A question that always occurs to me is, why is it that Argentina, which probably is potentially one of the richest countries in the world with a population that comes from Europe and doesn't have an Indian culture which is an inhibiter on modernization, at least the second half of this century almost an economic basket case? What is the problem?

VAKY: I don't know. It is a country that never really found a national coherence for a long time. I really don't have the answer to that. It was sort of an anti-nationalism. It also is not as bad as it looks.

Q: Maybe it is something like Italy. When you look at Italy from the outside...

VAKY: Well, there is a lot of that. There is a lot of fragmentation of the social/political fabric. Up until very recently you didn't have the kind of poverty problems that you had in Brazil. However, because of shoddy economic policies there recently has developed a lot more poverty. But at that time, remember you are talking 1955 and you have just gone through a military dictatorship of Peron, a kind of fascist, strange system called justicialismo, which had polarized the country, so there was the feeling in 1955 that maybe here was a chance for us to deal with an important country that had come out of a nightmare and see what happens. I can remember writing policy memoranda to that effect...in fact, they are published in the Foreign Relations volumes for 1955-56, first to Henry Holland and then Dick Rubottom who succeeded him. They argued that in fact, having gone through this strange period where we had a lot of anti-Americanism and cool, if not cold relationship, we ought to help them. They did need economic assistance. We ought to help them with Ex-Im loans. We did have a lot of problems with trade restrictions, tung oil restrictions, fresh fruit and all of these commercial problems. We ought to inform the things we did in these different areas of activity--economic, commercial and trade--with an underlying concept that we were trying to establish a working, friendly relationship with a country whose potential for importance in South America was very high. And I think that position was essentially adopted.

Q: *Was there any debate over whether this was a military rule or a democracy?*

VAKY: There was some, but it wasn't clear because in those days the junta had brought in civilians. Today you would call it a national reconciliation group. It was not run as a military government as such. Furthermore they were working towards elections and in fact had elections in 1958 in which a civilian from, Arturo Frondizi was elected president. So it was moving in that direction. Everything that came in afterwards had not yet surfaced. That is to say you didn't have terrorism starting out, you didn't have the military getting worried about its role and what politicians were doing, so that it began clamping down, etc. None of that had happened. This was a country still coming out of a period of Peronism. The Peronistas were still pariahs. But as a whole the country was trying to work its way out. Individual interests began breaking it apart.

Q: You were saying as desk officer you often found yourself sort of fighting the State Department battle with AID. What were you trying to get and what were they trying for you not to get?

VAKY: The desk officer's job is to be sure his bosses, who are fighting the bureaucratic battles, are well armed. The question comes up as to whether or not we are to grant a loan for recovery to Argentina. Even if everybody accepts it the questions are always, how much, what conditionalities, if any, etc. I had my views on those questions, but I am not the action point. The guys who were going to the meetings, etc. were Maury Bernbaum and Dick Rubottom, at that level. I am their aide. I am to argue a case with them since I am supposed to have been the repository of most of the basic facts and knowledge of Argentina. What their balance of payments looks like, etc. So I had those twofold functions. One, saying to them that I think we ought to be generous and realizing that we had budget restrictions, we ought to argue for X amount; and secondly providing them with materials if they are willing to take that position. This all works out in terms...you do a lot of paperwork; you have a meeting with the head of the Ex-Im Bank to determine how we are going to respond to this request; here is what the Argentines are asking for; here is what looks reasonable, here is the Ex-Im Bank position, and here is what I recommend you tell them...give them talking points of why we should do this. That kind of thing.

The other job the desk officer has is to understand what is going on in Washington so I had contacts with everyone in Washington dealing with Argentina. I had to find out who was the Ex-Im Bank desk officer and what he was doing. We would have very friendly talks. And then we would go back and forth. As you know when actions are taken you have to get things cleared in Washington which meant you have to get the concurrence of a number of agencies on a particular problem. That is a whole task in itself because policy in Washington is essentially a process of consensus formation, working stuff out. When the apple and pear producers want an increase in duties on Argentine pears, that is going to be taken to the Agriculture Department and they are going to come to us and say, "We have to do this," and we then have to tell them why they can't do this because it affects the national interest, etc. So you do that kind of thing.

So I viewed my job as trying to know as much as I could about what was happening in Argentina and in Washington with regard to events that you have to deal with. I had to be sure that my boss was well informed of that and give them my best judgment as to what I think we, the U.S., ought to do.

Q: Looking back with some perspective, one has the feeling that the Dulles State Department had a good solid structure to it in the decision process. Did you find this?

VAKY: It was rigid all right. John Foster Dulles ran it and that was basically it. We always felt in the Bureau of Inter-American Affairs, that we were a little fortunate in that John Foster Dulles wasn't really interested, he had other things to do. So you sort of had a freer hand to do things. He was going to look to his Assistant Secretaries in those areas where he wasn't, himself, personally interested, to carry it out. So Henry Holland had a lot of power. That would not have been true if you were talking about the European Bureau or the Middle East.

But my memory is of a very much personal, controlled Department in which you knew who was boss, and he ran it. But in our area he let us run it. But he would do things...he called me one day on the desk after his press conference and said, "I have just had a press conference and they asked me a question about Argentina and I replied thus and so, is that okay?" I must say I don't remember what it was, but I replied, "Yes, sir," which it was. But, other than that in my day at that time you didn't feel the seventh floor. The boss was Henry Holland. Now, his relationship with the Secretary is another question.

Q: Just one more question about this time which really covers three tours, did you feel any effects of McCarthyism at all?

VAKY: No.

Q: Latin America, again, was sort of out of the focus. The Far East and Europe were.

VAKY: Whatever you felt was tangential. For example, Francis Styles was a China hand and was quite caught up in it. He was succeeded by another China hand, Paul Myers, and he had gotten in trouble with Luce, etc. and for that reason was not assigned...he didn't know anything about Latin America and didn't care about it, but he was assigned because as an old China hand they wouldn't assign him elsewhere.

Q: So this wasn't a...?

VAKY: Not in my cognizance.

Q: You were arriving when the Wriston program which was bringing civil servants in was just beginning to really get going. There was an amalgamation within the State Department of the Civil Service with the foreign service. Was this upsetting?

VAKY: I never got upset about it although there were obviously a lot of people who were. I had less than ten years in the Service and still struggling going up. I don't remember being exercised at all about the Department bringing people who worked in INR, for instance, who were doing a great job, into the Foreign Service. In fact, I never really got exercised about the career, I just tried to do my job.

Q: On the career side, I was thinking more along the line of the expertise. One of the things the civil servants had was that they spent a lot of time say, on Latin America, rather than being in the Foreign Service rotational policy. Did that at that point seem to have any effect?

VAKY: Now, if you are asking me about the way I felt or what I thought about it, I didn't really get worked up about it. I thought it would be a shame to lose the expertise of people like the person who headed the Latin American part of INR and was a real scholar, etc. Why would he want to go out? But this was still very early on in the Wriston period and I was back out in the field when the amalgamation really came. If you are asking about the wisdom of integrating, I can't remember particularly debating that or getting involved in that, but looking back at it I think there were some things that didn't really make sense. From that period I think there was a fundamentally flawed concept in the Foreign Service that gave us all kinds of trouble later. Now this has nothing to do with this period.

Q: Well, why don't you mention it because when the time comes up we may miss it otherwise.

VAKY: Basically the Foreign Service was conceived of, and I think should be, a field service. A professional service serving foreign relations, basically in the field, doing negotiation, reporting, analysis, etc. With integration, the assumption was that the Washington function of bureaucratic infighting, etc. and the field function were fungible. That the same guy could do both easily. And that is not true. The reason, I think, that Foreign Service officers had a very difficult time back in Washington, the reason why the State Department always gets clobbered, is that the concepts and training of Foreign Service officers are not always suited to what you have to do in the bureaucracy, both in terms of continuity and just generally how you operate. In the field, the Foreign Service is essentially a conflict resolution kind of activity. You negotiate, you try to reconcile, you try to compromise and find ways to do it. Up here it is a jungle and it is infighting and it is a different concept. So it is not automatic. Now the same person can do both if you are very talented, but that will tend to be adventitious, it just happens to work that way. So Foreign Service officers are brought in and put into this pressure cooker dealing with people who are bureaucrats who have been here in Commerce, Treasury and Agriculture for all their lives and know how to work in a bureaucracy, and we have to learn. By the time we learn we are rotated out. So, the concept that the two are fungible is, I think, a fundamentally flawed concept. How do you deal with that then? I think there is a lot more room, and I suppose we will move to it, towards a home service, particularly in areas of expertise where you need it...advanced economics, trade, etc. I think it is good for Foreign Service officers to have tours in Washington because you do need to know how it works back at the home office, but absolute fungibility...

Q: You took the desk from Argentina particularly at a time of a deteriorating situation allowed you to hit the ground running. In fact you were bringing something with you that

probably would have been missed by somebody, even an old Argentinean hand who hadn't seen what had happened in the last days of Peron.

VAKY: But if I had been brought in and stuck in European Affairs or even one of the functional bureaus, I would have had to swim a lot harder there being a lot more to learn.

Q: And probably not contributed as much.

VAKY: Not immediately at least.

Q: Well now your next assignment you went to Bogota from 1958-63. Is that right?

VAKY: I left the desk at the end of 1957. There was one year when I was doing different things in the Bureau. Bernbaum asked me to help the public affairs advisor so the year 1958-59, I was in ARA/P, Public Affairs. It was interesting.

Q: Did you have the feeling that in ARA public affairs you had to jump up and down and say, "Hey, pay some attention to us," compared to things that were happening in Europe, the Middle East, the Far East?

VAKY: Yes, in a sense, but you had to deal with those people in the wire services, etc. who were themselves interested in Latin America so you were always busy. And 1958-59 you were running into some very serious problems. I was in the P area when Nixon went to Caracas in 1958.

Q: Oh yes, he was Vice President.

VAKY: And you had the rise of Castro. So that was an interesting period. In fact, I almost went on that trip with Nixon. Bernbaum was going and said to me, "Do you write fast?" I said, "No, I don't." He said, "Oh well, okay. I need somebody who can really hammer out these statements, etc." I said, "Well, Maury that is not really my forte." So Maury went. I am sure he has told you this experience.

So we had to field those things. You had to do the press briefings, answer questions, prepare the spokesman for all the usual stuff. It was an interesting angle to look at. Dealing with the press is a very important area. I found that I learned a lot.

Q: This is considered one of the great weaknesses of the regular Foreign Service officer. They treat the press...

VAKY: It is understandable because you tend to get burned a little. But the danger is you then develop a bunker mentality of it is "we" and "them." That is really very bad because they can help you. I had some very good friends in the press corps who knew a lot about Latin America and were resident there. I learned a lot from them. And you learn who you

can trust and who you can't trust. If you really try to work at it they can be very helpful to you in analyzing a situation.

Of course, there was a lot of foolish work like having to type up all kinds of answers to imaginary questions and stuff like that. I did speech writing. But the relationship was interesting. I learned a lot. That was an interesting year, but I wouldn't have done it for much longer.

Q: You have had two assignments in Latin America and one on the desk. The Bureau of Inter-American Affairs always seems to have a reputation of being off to one side, sort of an enclosed, incestuous organization and one that doesn't have quite the same clout as EUR and other Bureaus, with the great exception of Africa which wasn't even on the scene in those days. Did you have any feeling about the atmosphere of that?

VAKY: Yes, you got some of that. That we were sort of a separate little entity and all the snobs were in EUR, etc. They sneered at us as the minor leagues but we didn't mind because we had a lot more freedom than they had to do policy because of this very reason. This is very interesting up to that point. So it never bothered me, except it did affect your possibilities of assignment. Remember those April Fool cards?

Q: Yes, for the record, the Department would ask you to fill out a card with three choices for your next assignment which was due on the first of April. It became known as the April Fool's report because you so seldom got your choices.

VAKY: I used to put Athens, Madrid and Rome in different sequence each year. Of course, it never worked out. By the time you get up to about FSO-4 you realize there is an old boys' network working there and the longer you were in a Bureau the longer you were likely to be there because people knew you and other Bureaus didn't. So the choicer assignments were likely to go by somebody saying, "Gee I need somebody in this slot, who do I have? I know so-and-so and he might do it." So it worked differently. It didn't bother me, but you did get the feeling that there were sort of different groups.

After that year in public affairs I was asked to go to Seville which I was very tempted to do. My wife was pregnant with our third son. We had an Rh problem so I said that I would rather not at this point go abroad. So they delayed me and Seville was lost. It actually turned out okay because Bogota turned up as chief of the political section where Seville would have been the number two slot in the consulate.

I can remember Henry Dearborn, who was the office director, coming in and saying, "I would like you to go to Bogota, would you like to go?" "Sure." It turned out to be my favorite post.

Q: You were there from 1959-63. Could you describe what the situation was there? Let's talk first about the embassy and the ambassadors and how they operated.

VAKY: Let me talk about the situation first because that is relevant to the other. Colombia had just come out of a dictatorship. Rojas Pinilla, an army general had been overthrown. It was the only dictatorship Colombia had this century, having had a long democratic tradition. In fact, it probably has had the longest history of a two party system in Latin America, it stretched into the 19th century. At that time the Liberal Party and the Conservative Party were two parties that together really dominated. There was really no other third party. They were not ideological parties despite their names. They were very similar to our parties. In them were represented all the social strata. Their traditions were different. The Conservative Party came out of a land owning, Catholic conservative tradition. The Liberal Party grew out of urban labor, middle class groups. So they had different traditions, but it was hard to tell the difference between them, much like the Democratic and Republican parties in this country. But the parties had very great loyalties and functioned in a sense as a system for the political dynamics to move. That is to say, if you were a peasant out in the countryside and you wanted something, you would go to your ward boss, which was like the way the machines worked in this country. So the parties went down to the grass roots, but they, themselves, were channels of political activity. What was happening as you moved after World War II was that these traditional channels...the same thing that happened to our city machines...the developing bureaucracy, other developing interests that were extra political got in the way. So that if you were then a peasant wanting to do something you had a lot of channels to go to besides the party. So the party's capacity to aggregate power began to dissolve. However, what had happened was that the rivalry between the parties right after the war became very intense. Loyalty to a party was so intense that it was a way of life. It was almost like two armies going at each other. There were whole villages of Liberals and whole villages of Conservative. The bosses, that we would have called ward bosses, became in a sense in rural areas almost warlords. So you had that kind of an operation. The rivalry was very severe and when one party would come into power they would throw out everybody in the civil service...patronage was rife.

In 1948, in the middle of meeting of the Organization of American States, to which General Marshall, the Secretary of State, was there, a charismatic leader of the Liberal Party was assassinated in downtown Bogota, Jorge Gaitan. A Conservative government was in power and Gaitan was a very charismatic figure who some people were afraid of. His death set off a social explosion and you had what is now called the famous Bogotazo in which half the city was burned. You have to think of it, for example, in terms of what happened in Washington on the death of Martin Luther King. People just exploded. Resentments came out, no particular sense to it, a real explosion.

I wasn't there and obviously can't tell you about 1948, but that triggered a repressive action by the Conservative government on the Liberal Party and began what has since been called "La Violencia." The rivalry between the parties transcended just normal civil political activity into conflict and Colombia moved very close to civil war with very bitter fighting going on. It was that situation which allowed the military finally to take over because it was getting out of hand. So Rojas Pinilla, who was the head of the army, took over and became the president. Had he just pacified the country and gotten out, he probably would have been a hero, but he liked power and became a dictator. He was not a very smart dictator. He was very corrupt.

So, the traditional two parties said to themselves, "This guy is getting out of hand. Some of us thought he was all right if he could pacify the country, but this guy has gone too far and it won't do." The two leaders, Lleras Camargo and old Laureano Gomez of the Conservative Party, bitter enemies (these are parties that have killed each other) got together in Spain in exile and said, "Look, let's get this guy out of there so we can reconstruct the country. To do that we are going to have to mute our rivalries. Let's arrange a pact and agree on a way to run this." They agreed to do this. All this discontent stimulated a coup in 1957. Rojas Pinilla was thrown out and a junta was put in. The two parties agreed on this amazing pact called the National Front. What they said was if we start to vie with each other we are going to end up where we were before so until we can reaccustom ourselves to civil behavior let's agree to split everything 50/50. That is to say that automatically the Liberals will have half of the congress, the Conservatives will have half of the congress--half of everything will go to the other party. The presidency will rotate between the parties. The first president by mutual agreement was to be a Liberal, Lleras Camargo. He was a very fortunate choice, a great statesman. He was the first secretary general of the OAS. A very wise guy.

This whole experiment was fascinating. Here was a country, a great tradition, in effect dividing power, agreeing on something very artificially. Lleras Camargo took office in 1958 and I came on in 1959.

Q: *And you were in charge of the political section.*

VAKY: Yes, and that is why I say this is my favorite post. I had more fun in Bogota than anywhere else because Colombia was very open.

Q: *I* was going to ask how you dealt with both the people and the government?

VAKY: Very well. The parties, although they were bitter enemies, could get together. It is a little bit like the Senate. They could spit at each other and really have a lot of problems, but they are gentlemen. There is a club kind of deal. So you could talk to them both and they know you talk to them both and they didn't care. You would go into the clubs there for lunch and they are all there. Everybody greets everybody else and then they go off and scheme against each other. It was a very sophisticated political system and just fascinating.

What happened because you had only half of the offices guaranteed to the parties and they didn't compete against each other, competition took place within the parties at the primary. So you would have to know which Liberals were going to run for the Liberal seats in the Congress. So what you began to get was the party splitting into factions. It was as if you would say the Rockefeller wing and the Goldwater wing, etc. So you would have an election and congressional slates were made up by different planks on the Liberal side and different planks on the Conservative side, like two primaries running simultaneously. They knew they were going to get fifty, but which fifty. So you got that kind of deal.

The argument of who was going to be president was worked out all right but you had to take into account all of these tendencies. So the politics was just fascinating.

Q: Okay, the politics are fascinating. I served in Naples once and the people in Rome and Washington watched all this fascinating politics, but it came out as far as America went, or really the Italians, that it didn't mean anything, it was just a bunch of people switching jobs. What were American interests and what would be the reason for doing more than reporting that nothing has really changed?

VAKY: Not a great deal, I just found it fascinating. The American interests were obviously economic. Colombia is a big coffee producer. The head of the Coffee Federation was a very important figure for American economic interests. A major producer of petroleum although not a major exporter. A country with substantial opportunities and so therefore American investment was quite large. So political stability and the economic management of the nation was of interest to us. It was strategically located being next to Panama. The friendship of that country for security reasons and the cooperation of the Colombian navy would be important. And you still had the residue of the violence. Rojas Pinilla was thrown out and the civilian government had taken over, but a lot of these guys that had been fighting in the name of the Liberals or Conservatives, went off and became bandit groups and were the origin of what is currently guerrilla insurgency. There was one insurgent group that was Marxist, the so-called FARC (Revolutionary Armed Forces of Colombia). They had roots going back to the twenties. There were areas near Bogota, way up in the mountains, that were their stronghold and you didn't get in there. So you had the beginnings of a security...

Q: Also Castro was at his real prime at that time. Did you feel that there or not?

VAKY: Yes, you did. You know there were rumors that Castro got his start in the Bogotazo when he was supposed to have been there as a student, but I don't know if that is true or not. But, yes, that was always a matter of concern. What would Castro do if he were going to be exporting revolution, what would you do there when you had an insurgency. The beginning of the Kennedy counterinsurgency stuff had its first sort of test in Colombia. Here was an insurgency that had gone on for a long time and the political violence had been muted so a lot of the country was pacified, but you still had these groups that were beginning to be...a lot of it was pure banditry...the start of ideological stuff. So it was a matter of great interest.

So it was an interesting country and an important country in all of those senses. What was happening was important to know.

Q: I take it that at that point drugs was not a particular problem?

VAKY: That came in my ambassadorship to Colombia.

Q: How did the two ambassadors...you had Dempster McIntosh and Fulton Freeman. Could you compare them?

VAKY: They were like night and day. When I arrived McIntosh was the ambassador. He was a nice guy who had no clue as to what was going on and no capacity to deal with Colombia. He didn't speak Spanish.

Q: Where did he come from?

VAKY: He was a businessman and had made his money, I think, in Philco. He had been chairman of the board or something like that. He had been Ambassador in Uruguay and had gotten this assignment and it was something for him to do. The staff had the feeling that we were carrying the load. He was the boss but we were doing it. The DCM was Milton Wells, a career man, who had probably a very difficult job in the care and feeding of Ambassador McIntosh while we tried to do the work of the embassy. I liked Dempster, but he just couldn't carry on the work. You had as president of Colombia one of the most distinguished statesmen in the hemisphere and Dempster couldn't deal with him.

Q: Did Dempster know his limitations?

VAKY: Not really. We had some good friends in the press who were <u>New York Times</u> stringers and who had been long time friends of Lleras Camargo and they said, "You know, Lleras Camargo is interested in land reform and rural development and he would be interested in knowing whether the United States could help or not, wouldn't you like to talk to him?" I said, "I would love to talk to him." He said, "I'll arrange a little dinner at our house and the president will show up." I had a problem, what to do. The labor attaché at that time was also a friend, Bob Hurwitch, and we talked about it and decided the ambassador had to know. So I went and told the ambassador that I had this invitation and did he mind. I don't know whether he minded or not, but he said, "Oh, no, that is great." So we had dinner with the president and he expounded on his ideas on land reform. I wrote a long report to the Department saying here is a whole area where we could help and a lot came out of that.

Ambassador McIntosh didn't run the embassy. But neither did he bother us. He was a nice guy. He knew he needed us and I didn't feel any constraints from him as you might have gotten in some cases. He let me do all of the political reporting. I would tell him why I thought we should do such and such and he would say, "Okay." So it worked out okay.

Fulton Freeman, that was a different show. I think Tony Freeman was one of the best ambassadors I had. He <u>did</u> know what was going on. He came and boy you felt it.

Q: What was his background?

VAKY: Tony was an old China hand. He had had some security problems. He spoke Chinese. He told me once that he took the bull by the horns when he suspected that Scott McLeod was giving him some trouble and went to him and said, "If there is any doubt, let's clear it up. Let's sit down with your security people and tell me what is happening." He said he spent two days while they went over different things. He really cleared himself of any security questions. He was then working for Clare Boothe Luce. She liked him and gave him a good boost which I think is where his ambassadorship comes from. He had had a wide experience basically in the political field but military/political too. He was very shrewd in how you deal with a bureaucracy and how you manage. I learned a lot from him.

Q: How did he run the embassy?

VAKY: When he had a staff meeting you knew he ran it. He wanted reports, he had oneon-ones with you. He wanted to see everything and went through everything and a lot of it would come back with his remarks on it. You knew there was someone up there that you had to take into account. And he was smart. He also knew the country and spoke beautiful Spanish. He was a linguist. He was a good contact man so he would begin to know as much as you knew. But he knew how to use people. He said to me, as he did to his economic section chief, "Look, I want to learn this fast and I like one-on-ones, so what I would like to do is to meet the political leaders. I will invite them to the lunch, you and I and a leader. You pick them and line them up. We will have a series of lunches." Now, that was great for me because I had the prestige of the ambassador to make these contacts and have these one-on-ones. He, on the other hand, never cut me out. He always used me because he knew he needed that too. But he was good and I respected him. So he ran a tight ship. His management was good. Staff meetings were terse and to the point and there were a lot of them to deal with different problems.

The way he tackled problems was interesting. From him you really could learn how to deal with other people in terms of putting yourself in their skin and working it out. He was a superb negotiator. He told the Foreign Minister, "Whether I have any problem or not, Mr. Minister, wouldn't it be a good idea if we had a kind of regular one-on-one meeting every two weeks or something like that?" The Foreign Minister said that was a great idea. He was just a good operator in that sense. So I thoroughly enjoyed that tour. And as I say, it was like night and day.

Q: *This is the period of the Alliance for Progress, too. What was your impression of it at the time?*

VAKY: I thought it was good and again Colombia was a beneficiary. The first Peace Corps contingent in Latin America was in Colombia. The idea was good I thought. We had a big program. I thought it was an exciting program. Latin America was getting its due. *Q*: *At last. How did you view the American military? The military groups, both the advisory and attaché, seemed to play a fairly large role in Latin America. How did they fit in the Colombia context?*

VAKY: Again this was a question that I thought Freeman handled well and I think I benefited from it when I became an ambassador. It was the question of keeping his people under control. He wanted to know what they were doing and let them feel that he was helping them too. The problems in Colombia had to do with insurgency and with military training and assistance. The military attachés suffered from not having the best people.

Q: *This has been rather a constant complaint.*

VAKY: I think it has changed a little.

Q: *They used it as retirement posts.*

VAKY: Yes, it wasn't important to them, I guess. I always thought of them, and as head of the political section used them, as contact points. I wanted to know some of the military officers and would go through them just as the ambassador went through me to meet political leaders. But their intelligence reporting was not too good and certainly couldn't match the Agency's.

Q: *This is obviously an unclassified interview, but how did you find in those days the Agency? Was it effective?*

VAKY: They had good sources and were very cooperative. I had some good contacts. I think they played it straight.

Q: You didn't have the feeling that they were working on their own agenda?

VAKY: I am sure they had their own agenda but I didn't have any problems. Their role was acquisition, there were no political action things going on. There were a lot of personnel changes during the time I was there, but I had very close and open relationships with them discussing the situation and getting their view of the analysis, etc. I think we sort of fed each other.

Stu, I am going to have to take off.

Q: Okay.

End of interview